

Idaho Economic Forecast

DIRK KEMPTHORNE, Governor

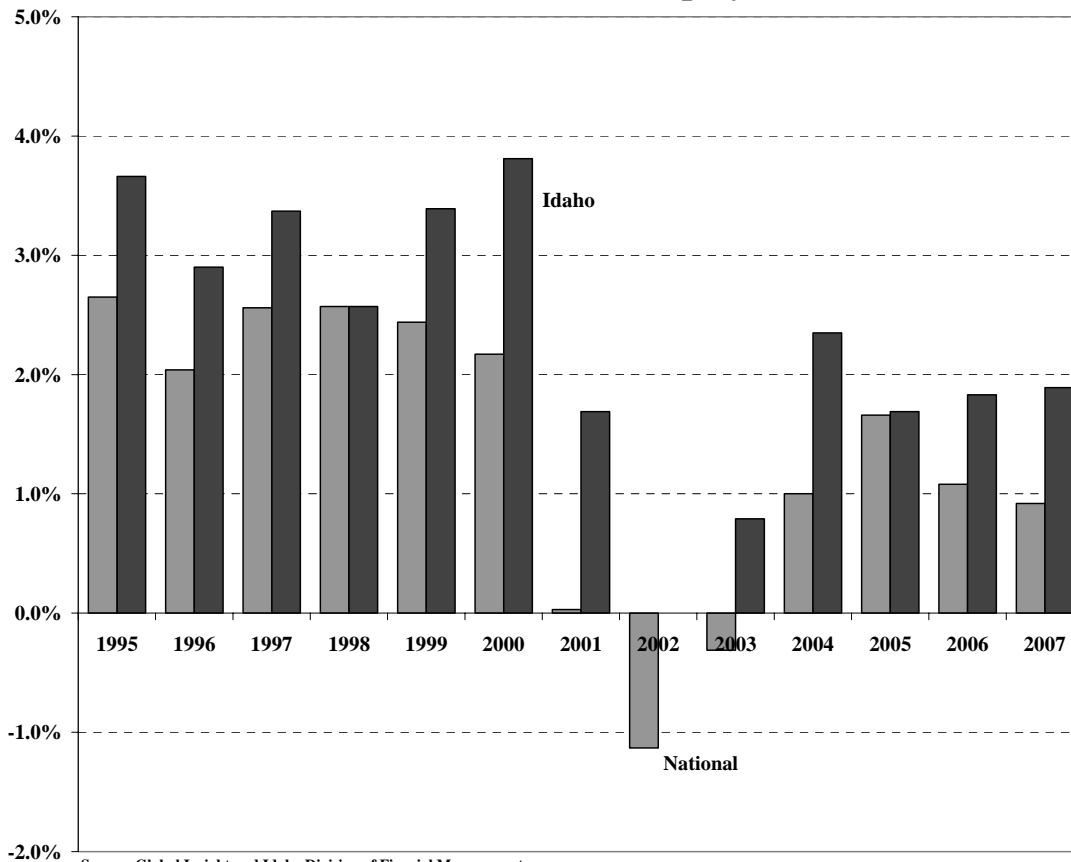
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- Forecast 2004-2007
- Two Measures of Employment: How Different Are they?
- Alternative Forecasts

Idaho vs National Nonfarm Employment Growth



Source: Global Insight and Idaho Division of Financial Management

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**IDAHO
ECONOMIC
FORECAST
2004 - 2007**

State of Idaho
DIRK KEMPTHORNE
Governor

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PREFACE

Idaho's economy continues to grow and evolve as it enters the 21st Century. The 1980s was a decade of stop-and-start economic performance. However, it also ushered in one of the longest expansions in the state's history. Since 1987, nonfarm employment has expanded in every year and has consistently placed Idaho among the top ten fastest growing states in the nation. The 1990s saw a flood of new residents move into the state, causing the population to expand by an astounding 29% from 1990 to 2000. Over this period Idaho personal income nearly doubled. Much of the current expansion results from ongoing structural changes in Idaho's economy.

One of the biggest changes is the rise of the state's high-technology sector. Virtually nonexistent in the 1970s, this sector achieved critical mass in the 1990s to become the state's largest manufacturing employer. The growth of industry giants, such as Micron Technology and Hewlett-Packard, as well as the emergence and expansion of smaller companies, pushed payrolls above even the most optimistic forecasts made in the 1980s. The state's trade sector has also been going through a transformation. The last decade witnessed an influx of national "big box" merchandisers. During this same time, Idaho merchants successfully reached beyond the state's borders. Several regional shopping centers were established that serve locals, as well as attract shoppers from other states and Canada. Visitors fueled the surge in tourism that also benefited trade. Like its national counterpart, the service sector accounts for most of the nonfarm jobs in Idaho. Tourism has also been a boon to the service industry. While traditional factors, such as increasing discretionary income, continue to fuel the demand for services, other influences have emerged. For example, the use of temporary employees in manufacturing has bolstered business services employment. Idaho's outstanding work force has been a major factor in attracting call centers, back office operations, and credit companies.

While many changes are taking place today, traditional resource industries still play a major role in Idaho's economy. Indeed, the state's mining, agriculture, and timber sectors all experienced lulls in the late 1990s. While displaying more resilience to downturns than in the past, these industries are not totally immune from business-cycle effects. This continuing dependence on natural resources will bring a host of challenges to Idaho.

Other factors that are external to the state's economy will also present challenges to decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Engineering and Environmental Laboratory and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

Division of Financial Management

700 W. Jefferson, Room 122
P.O. Box 83720
Boise, Idaho 83720-0032

Economic Analysis Bureau

Michael H. Ferguson, Chief Economist
Derek E. Santos, Economist
(208) 334-3900

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INTRODUCTION

The national forecast presented in this publication is the September 2004 Global Insight baseline forecast of the U.S. economy. The previous *Idaho Economic Forecast* is based on the June 2004 Global Insight baseline national forecast.

A comparison of Idaho nonfarm employment growth and its national counterpart are featured in this Forecast's cover graph. As the graph shows, Idaho nonfarm employment is expected to continue to grow faster than U.S. nonfarm employment over the next few years. Specifically, Idaho nonfarm employment is anticipated to rise 2.4% in 2004, 1.7% in 2005, 1.8% in 2006, and 1.9% in 2007. At the national level, nonfarm employment should advance 1.0% this year, 1.7% next year, 1.1% in 2006, and 0.9% in 2007.

FEATURE

One of the most difficult questions to answer during the current economic recovery is: What is the state of the job market at the national level? This is because two widely used measures of job performance have been giving different answers. The estimate that measures the number of jobs, the payroll survey, portrays a disappointing job market with smaller-than-expected gains. The other estimate that measures the numbers of Americans unemployed, the household survey, suggests a somewhat stronger labor market. In the feature article titled, "Two Measures of Employment: How Different Are They?" Federal Reserve Bank of San Francisco's Tao Wu explains how these two measures differ and which is more accurate.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. Global Insight examines the effects of different economic scenarios, including the potential impacts of international recessions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are included in this report.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1991 to 2007 and for every quarter from 2001 through 2007. The solution of the Idaho Economic Model (IEM) for this forecast begins with the second quarter of 2004.

Descriptions of the Global Insight U.S. Macroeconomic Model and the IEM are provided in the Appendix. Equations of the IEM and variable definitions are listed in the last pages of this publication.

CHANGES

The historical Idaho nonfarm employment data appearing in this forecast was provided by the Idaho Department of Commerce and Labor and seasonally adjusted by the Division of Financial Management. This data consists of final employment estimates through the first quarter of 2004 and preliminary data for the second quarter of 2004. These new historical data show the employment forecasts made in April 2004 for the fourth quarter of 2003 and first quarter of 2004 were a bit pessimistic. Specifically, actual employment was about 3,500 higher in the first quarter of 2004 than had been anticipated and about 5,000 higher than had been projected for the second quarter of 2004. Keep in mind that not all of this difference was due to economic factors. It is estimated about 1,400 of the increase is due a revision to number of jobs in the noneducation-related sector.

The tables in this forecast also include the U.S. Department of Commerce's Bureau of Economic Analysis (BEA) estimates of Idaho quarterly personal income through the first quarter of 2004. The BEA released its latest Idaho personal income estimates in late September 2004. These new data will be incorporated into the January 2005 *Idaho Economic Forecast*.

The *Idaho Economic Forecast* is available on the Internet at http://www.state.id.us/dfm/econ_pub.html. Readers with any questions should contact Derek Santos at (208) 334-3900 or at dsantos@dfm.state.id.us.

SUBSCRIPTIONS

You can access the *Idaho Economic Forecast* for free at http://www.state.id.us/dfm/econ_pub.html.

Printed copies of the *Idaho Economic Forecast* may be requested by contacting:

**Idaho Economic Forecast
Division of Financial Management
700 W. Jefferson, Room 122
P.O. Box 83720
Boise, Idaho 83720-0032**

Or email to ahamann@dfm.state.id.us

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CITY	_____
STATE	_____
ZIP CODE	_____

EXECUTIVE SUMMARY

Like its national counterpart, the outlook for the Idaho economy has changed. Unlike its national counterpart, the change is not easy to perceive. Two key economic indicators serve as an example of this paradox. Idaho nonfarm employment is higher each year compared to the previous forecast. However, Idaho real personal income is lower than its predecessor in three of the four years in the current *Forecast*. There appears to be an inconsistency between the employment and personal income data. However, a closer look at the data reveals an Idaho economic outlook that is stronger in the short run, then grows slightly slower in the long run as compared to the previous *Forecast*. For example, Idaho nonfarm employment is expected to be 4,500 higher in 2004, but by the end 2007, there are only 990 more jobs than in the previous *Forecast*. This implies that after getting a head start in 2004, Idaho nonfarm employment advances slower in the remaining years of the forecast. The Idaho personal income projections reveal a story similar the employment data. For example, Idaho nominal personal income in the current *Forecast* starts out \$70 million (0.2%) higher in 2004 than in the previous *Forecast*. However, by 2007 it is \$146 million lower (-0.3%) than the previous projection. The decline is even more pronounced when the personal income forecast is adjusted for inflation. Specifically, Idaho real personal income goes from being \$7 billion above its predecessor in 2004 to being \$233 billion (-0.6%) below it in 2007. As with nonfarm employment, this occurs because real personal income grows slower over the forecast period than in the previous forecast. In summary, the outlook for Idaho's economy has changed. Over the next few years it will grow slightly slower than had been previously forecast. What has not changed is that the Gem State's economy should out perform the national economy. Over the forecast period, Idaho nonfarm employment should expand 1.9% per year, which is above the nation's expected 1.2% pace. Idaho real personal income also grows faster than the U.S. pace.

The outlook for the national economy has been lowered compared to the previous forecast. In the July 2004 *Idaho Economic Forecast*, it was reported U.S. real GDP would grow a healthy 4.9% this year, 3.8% next year, 2.9% in 2006, and 3.4% in 2007. In the current *Forecast*, real output advances 4.3% in 2004, 3.3% in 2005, 2.9% in 2006, and 3.2% in 2007. Other key measures are also expected to perform below their previously forecasted counterparts. For example, U.S. real personal income was anticipated to expand 3.6% annually in the prior *Forecast*. It is projected to rise just 3.2% per year in the current *Forecast*. Nonfarm employment displays a similar change. The differences between the previous and current forecasts largely reflect higher oil prices. In the previous *Forecast* it was believed the price of oil was near or just passed its peak and would soon retreat. Instead of a relatively shallow peak and steep price decline, the current forecast shows a higher peak and shallower decline. Higher oil prices have caused energy-related inflation to soar at an estimated 26.3% annual rate in the second quarter of 2004. Should increases of this magnitude spread to overall inflation, it would have a destabilizing effect on the economy. Fortunately, the impact of rising oil prices should remain restricted to the energy component of consumer prices. This is critical because it will allow the Federal Reserve to raise rates gradually, instead of taking more drastic measures to smother runaway inflation. It has been estimated that the increase in oil prices, both actual and projected, since this year's beginning has shaved about 0.3-0.4% off GDP this year and about 0.7-0.8% off GDP next year.

**IDAHO ECONOMIC FORECAST
EXECUTIVE SUMMARY
OCTOBER 2004**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
GDP (BILLIONS)											
Current \$	8,304	8,747	9,268	9,817	10,128	10,487	11,004	11,713	12,341	12,917	13,579
% Ch	6.2%	5.3%	6.0%	5.9%	3.2%	3.5%	4.9%	6.4%	5.4%	4.7%	5.1%
2000 Chain-Weighted	8,704	9,067	9,470	9,817	9,891	10,075	10,381	10,825	11,184	11,509	11,874
% Ch	4.5%	4.2%	4.4%	3.7%	0.8%	1.9%	3.0%	4.3%	3.3%	2.9%	3.2%
PERSONAL INCOME - CURR \$											
Idaho (Millions)	25,367	27,287	29,068	31,290	32,963	34,217	35,384	37,518	39,361	41,494	43,761
% Ch	4.1%	7.6%	6.5%	7.6%	5.3%	3.8%	3.4%	6.0%	4.9%	5.4%	5.5%
Idaho Nonfarm (Millions)	24,628	26,371	28,075	30,474	31,968	33,130	34,325	36,460	38,232	40,286	42,555
% Ch	5.0%	7.1%	6.5%	8.5%	4.9%	3.6%	3.6%	6.2%	4.9%	5.4%	5.6%
U.S. (Billions)	6,915	7,423	7,802	8,430	8,724	8,879	9,162	9,647	10,115	10,635	11,211
% Ch	6.1%	7.3%	5.1%	8.0%	3.5%	1.8%	3.2%	5.3%	4.8%	5.1%	5.4%
PERSONAL INCOME - 2000 \$											
Idaho (Millions)	26,666	28,429	29,788	31,289	32,286	33,043	33,534	34,787	35,848	37,153	38,421
% Ch	2.4%	6.6%	4.8%	5.0%	3.2%	2.3%	1.5%	3.7%	3.0%	3.6%	3.4%
Idaho Nonfarm (Millions)	25,890	27,475	28,770	30,473	31,311	31,994	32,531	33,807	34,820	36,071	37,363
% Ch	3.3%	6.1%	4.7%	5.9%	2.8%	2.2%	1.7%	3.9%	3.0%	3.6%	3.6%
U.S. (Billions)	7,269	7,734	7,996	8,429	8,545	8,575	8,683	8,945	9,212	9,522	9,843
% Ch	4.3%	6.4%	3.4%	5.4%	1.4%	0.3%	1.3%	3.0%	3.0%	3.4%	3.4%
HOUSING STARTS											
Idaho	8,862	10,110	10,338	11,519	12,239	13,158	16,329	16,718	15,364	15,141	14,372
% Ch	-3.9%	14.1%	2.3%	11.4%	6.2%	7.5%	24.1%	2.4%	-8.1%	-1.5%	-5.1%
U.S. (Millions)	1,475	1,621	1,647	1,573	1,601	1,710	1,853	1,932	1,790	1,666	1,655
% Ch	0.4%	9.9%	1.6%	-4.5%	1.8%	6.8%	8.3%	4.3%	-7.3%	-6.9%	-0.7%
TOTAL NONFARM EMPLOYMENT											
Idaho	507,423	520,477	538,100	558,577	568,014	568,004	572,503	585,972	595,856	606,734	618,202
% Ch	3.4%	2.6%	3.4%	3.8%	1.7%	0.0%	0.8%	2.4%	1.7%	1.8%	1.9%
U.S. (Thousands)	122,767	125,924	128,992	131,791	131,837	130,343	129,937	131,242	133,416	134,856	136,097
% Ch	2.6%	2.6%	2.4%	2.2%	0.0%	-1.1%	-0.3%	1.0%	1.7%	1.1%	0.9%
SELECTED INTEREST RATES											
Federal Funds	5.5%	5.4%	5.0%	6.2%	3.9%	1.7%	1.1%	1.3%	2.8%	3.5%	3.5%
Bank Prime	8.4%	8.4%	8.0%	9.2%	6.9%	4.7%	4.1%	4.3%	5.8%	6.5%	6.5%
Existing Home Mortgage	7.7%	7.1%	7.3%	8.0%	7.0%	6.5%	5.7%	5.7%	6.5%	6.7%	6.8%
INFLATION											
GDP Price Deflator	1.7%	1.1%	1.4%	2.2%	2.4%	1.7%	1.8%	2.1%	1.9%	1.7%	1.9%
Personal Cons Deflator	1.7%	0.9%	1.7%	2.5%	2.1%	1.4%	1.9%	2.2%	1.8%	1.7%	2.0%
Consumer Price Index	2.3%	1.5%	2.2%	3.4%	2.8%	1.6%	2.3%	2.6%	1.9%	1.5%	1.7%

**National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the SECOND Quarter of 2004**

IDAHO ECONOMIC FORECAST EXECUTIVE SUMMARY OCTOBER 2004

	2004				2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current \$	11,473	11,643	11,782	11,956	12,119	12,279	12,421	12,545	12,687	12,833	12,992	13,157
% Ch	7.4%	6.1%	4.9%	6.0%	5.6%	5.4%	4.7%	4.0%	4.6%	4.7%	5.0%	5.2%
2000 Chain-Weighted	10,698	10,771	10,862	10,968	11,054	11,149	11,233	11,300	11,376	11,460	11,552	11,647
% Ch	4.5%	2.8%	3.4%	4.0%	3.2%	3.5%	3.1%	2.4%	2.7%	3.0%	3.3%	3.3%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	36,525	37,409	37,615	38,522	38,669	39,125	39,575	40,073	40,658	41,227	41,771	42,320
% Ch	3.9%	10.0%	2.2%	10.0%	1.5%	4.8%	4.7%	5.1%	6.0%	5.7%	5.4%	5.4%
Idaho Nonfarm (Millions)	35,629	36,213	36,541	37,457	37,522	38,015	38,468	38,925	39,445	40,007	40,576	41,114
% Ch	8.5%	6.7%	3.7%	10.4%	0.7%	5.4%	4.9%	4.8%	5.5%	5.8%	5.8%	5.4%
U.S. (Billions)	9,445	9,585	9,665	9,895	9,935	10,059	10,178	10,289	10,425	10,561	10,706	10,846
% Ch	5.0%	6.1%	3.4%	9.9%	1.6%	5.1%	4.8%	4.4%	5.4%	5.3%	5.6%	5.3%
PERSONAL INCOME - 2000 \$												
Idaho (Millions)	34,180	34,736	34,791	35,441	35,422	35,698	35,978	36,292	36,657	37,007	37,318	37,630
% Ch	0.6%	6.7%	0.6%	7.7%	-0.2%	3.2%	3.2%	3.5%	4.1%	3.9%	3.4%	3.4%
Idaho Nonfarm (Millions)	33,342	33,626	33,798	34,461	34,371	34,685	34,972	35,253	35,564	35,911	36,251	36,557
% Ch	5.1%	3.5%	2.1%	8.1%	-1.0%	3.7%	3.4%	3.3%	3.6%	4.0%	3.8%	3.4%
U.S. (Billions)	8,839	8,901	8,939	9,104	9,100	9,177	9,253	9,319	9,399	9,480	9,565	9,644
% Ch	1.7%	2.8%	1.7%	7.6%	-0.1%	3.4%	3.3%	2.9%	3.5%	3.5%	3.6%	3.3%
HOUSING STARTS												
Idaho	16,594	17,218	16,806	16,254	15,800	15,430	15,124	15,101	15,260	15,234	15,142	14,928
% Ch	-27.3%	15.9%	-9.2%	-12.5%	-10.7%	-9.0%	-7.7%	-0.6%	4.3%	-0.7%	-2.4%	-5.5%
U.S. (Millions)	1,943	1,923	1,938	1,923	1,862	1,813	1,767	1,718	1,688	1,667	1,658	1,653
% Ch	-16.8%	-4.1%	3.2%	-2.9%	-12.2%	-10.1%	-9.7%	-10.6%	-6.9%	-4.9%	-2.3%	-1.1%
TOTAL NONFARM EMPLOYMENT												
Idaho	581,425	585,070	586,821	590,573	592,021	594,553	597,168	599,681	602,445	605,264	608,215	611,011
% Ch	4.2%	2.5%	1.2%	2.6%	1.0%	1.7%	1.8%	1.7%	1.9%	1.9%	2.0%	1.9%
U.S. (Thousands)	130,367	131,125	131,480	131,998	132,585	133,207	133,770	134,104	134,371	134,681	135,029	135,345
% Ch	1.1%	2.3%	1.1%	1.6%	1.8%	1.9%	1.7%	1.0%	0.8%	0.9%	1.0%	0.9%
SELECTED INTEREST RATES												
Federal Funds	1.0%	1.0%	1.4%	1.9%	2.2%	2.7%	2.9%	3.4%	3.5%	3.5%	3.5%	3.5%
Bank Prime	4.0%	4.0%	4.4%	4.9%	5.2%	5.7%	5.9%	6.4%	6.5%	6.5%	6.5%	6.5%
Existing Home Mortgage	5.6%	5.7%	5.8%	5.9%	6.2%	6.4%	6.7%	6.8%	6.7%	6.7%	6.7%	6.7%
INFLATION												
GDP Price Deflator	2.8%	3.2%	1.1%	2.0%	2.3%	1.9%	1.6%	1.6%	1.8%	1.7%	1.7%	1.8%
Personal Cons Deflator	3.3%	3.2%	1.6%	2.2%	1.8%	1.6%	1.5%	1.5%	1.8%	1.8%	1.9%	1.9%
Consumer Price Index	3.6%	4.7%	1.9%	2.3%	1.8%	1.5%	1.2%	1.3%	1.5%	1.6%	1.7%	1.7%

**National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the SECOND Quarter of 2004**

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Second Quarter of 2004 through the Fourth Quarter of 2007

The outlook for the national economy has been lowered compared to the previous forecast. In the July 2004 *Idaho Economic Forecast*, it was reported U.S. real GDP would grow a healthy 4.9% this year, 3.8% next year, 2.9% in 2006, and 3.4% in 2007. In the current *Forecast*, real output advances 4.3% in 2004, 3.3% in 2005, 2.9% in 2006, and 3.2% in 2007. Other key measures are also expected to perform below their previously forecasted counterparts. For example, U.S. real personal income was anticipated to expand 3.6% annually in the prior *Forecast*. It is projected to rise just 3.2% per year in the current *Forecast*. Nonfarm employment displays a similar change. This much-watched measure of the nation's economic health is forecast to grow an average of 1.2% annually. While this is stronger performance than in the last few years, it is below the previously forecasted rate of 1.4%. The slower projected growth rate translates into nearly 1.5 million fewer jobs in 2007 compared to the previous *Forecast*.

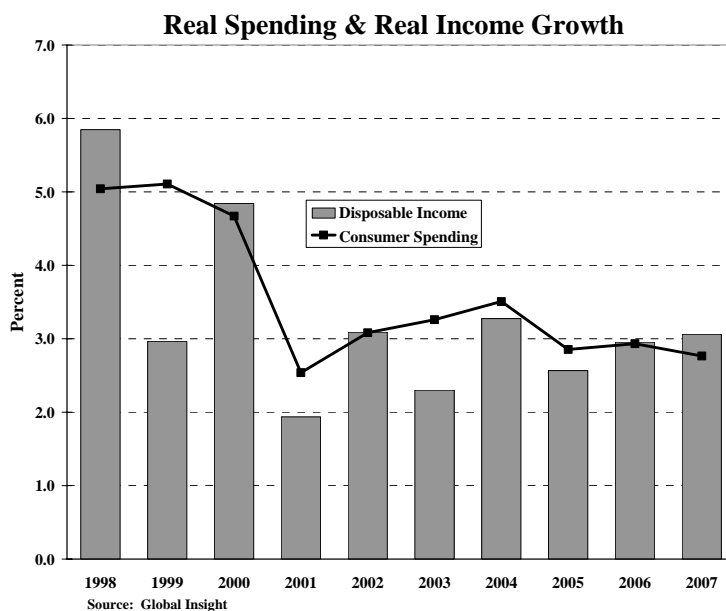
The differences between the previous and current forecasts largely reflect different assumptions about oil prices. In the previous *Forecast* it was believed the price of oil was near or just passed its peak and would soon retreat. Specifically, the spot price of West Texas Intermediate crude oil would average \$38.08 per barrel, but fall to \$28.00 per barrel by 2007. Unfortunately, this forecast was made before prices ran over \$50 per barrel this summer and fall. What seemed impossible a few months before became reality and forced analysts to rethink their forecasts. Instead of a relatively shallow peak and steep price decline, the current forecast shows a higher peak and shallower decline. Namely, the spot price for West Texas Intermediate crude oil is just over \$40 per barrel this year and gradually falls to about \$35 per barrel in 2007. At these prices, the impact on the economy becomes noticeable, but not devastating.

It has been estimated the increase in oil prices, both actual and projected, since the year's beginning has shaved about 0.3-0.4% off GDP this year and about 0.7-0.8% off GDP next year. Sectors that will be particularly hard hit by high oil prices include airlines, other transportation services, utilities, the chemical industry, and heavy manufacturing. Higher oil prices have caused energy-related inflation to soar at an estimated 26.3% annual rate in the second quarter of 2004. Should increases of this magnitude spread to overall inflation, it would have a destabilizing effect on the economy. Fortunately, the impact of rising oil prices have for the most part been restricted to the energy component of consumer prices. For example, overall inflation rose at a 4.7% rate in the second quarter of this year even as energy prices soared. Even with the second quarter spike, consumer prices are expected to grow just 2.6% in 2004, followed by 1.9% in 2005, 1.5% in 2006, and 1.7% in 2007.

The anticipated low-inflation environment of the next few years is important because it will provide the Federal Reserve with enough leeway to carry out its policy. Faced with similar oil price shocks in a high-inflation environment, the "Volcker Fed" took drastic actions that caused the federal funds rate to climb to about 18% in early 1981. Chairman Greenspan recently testified he was not alarmed about oil prices, and this is reflected in the assumed central bank policy in this forecast. Specifically, the Federal Reserve is expected to raise rates in small increments. These moves are designed to gradually lift the real interest rate (interest rate less inflation) out of its current negative territory.

SELECTED NATIONAL ECONOMIC INDICATORS

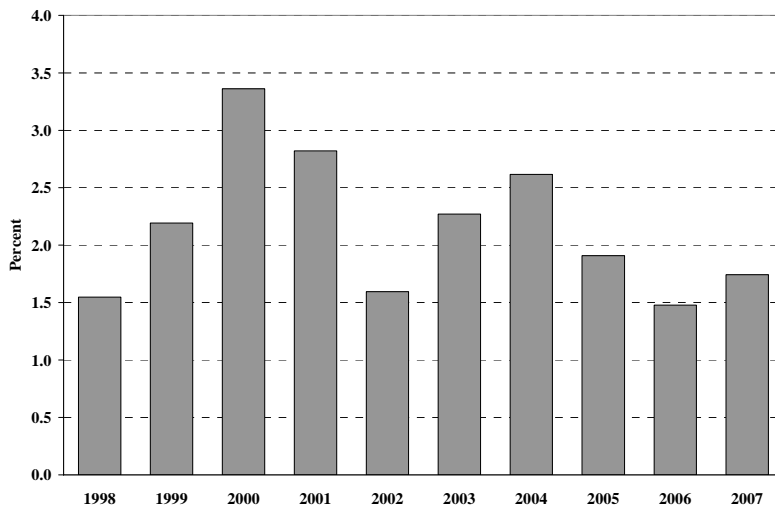
Consumer Spending: Consumer spending heated up this summer following a tepid showing last spring. Specifically, real consumer spending advanced at a nearly 4.0% annual rate during the third quarter of 2004, which more than twice as fast as it grew in the second quarter. Several factors contributed to this summer's hot performance. Big-ticket items were partly responsible. Closeout sales of light vehicles and the strong housing market enticed American consumers to once again open their wallets. Strong sales this summer also reflected ongoing strengths. Spending on computers, software, home furnishings, and health care continued to surge in the third quarter. And despite higher fuel costs, real spending on recreation and transportation services held steady this summer. The current consumer spending expansion began in early 1992. As it enters its adolescence, it is appropriate to wonder what lies ahead for consumer spending. Growth is expected to continue, but the most rapid growth spurts are behind us. Tax cuts that boosted disposable income growth for three years have ended. This forecast assumes parts of the 2003 income tax cuts that were due to expire in January 2005 will be extended. However, real disposable income will be impacted by effective personal income tax rates that are expected to drift up over the forecast horizon. However, it should be pointed out that real disposable personal income will jump at a 7.8% annual rate in this year's last quarter thanks to the "Microsoft Dividend." Microsoft Corporation plans to pay a one-time \$3.00 per share dividend on December 2, 2004. Although the amount per share may seem small, the overall impact should be huge, and provide a 0.2 percentage point kick to GDP in the fourth quarter. This estimate is based on the assumption that 6.25% of the total, or just over \$2 billion, would be spent. Real disposable income is forecast to advance 3.3% in 2004, 2.6% in 2005, and about 3.0% annually from 2006 through 2008. Meanwhile, rising interest rates should cool housing markets, leading to moderate declines in home sales, new construction, and home improvement sales. As a result, spending on furniture, appliances, and other home goods will slow in 2005. Total real consumption growth is projected to slow from 3.5% this year to an average of 2.8% over the remaining years of the forecast. This spending forecast reflects the steady growth in employment and real wage income. One item that has been fairly constant during the spending expansion is the call for consumers to get their financial affairs in order. The personal savings rate was an often-sited measure of how bad consumers' portfolios had deteriorated. The savings rate had fluctuated around 10% from 1970 to 1984, but has fallen steadily over the past two decades. This year's projected rate of 1.2% marks an annual low. Unfortunately, it is expected to drop further over the forecast period. In the latter half of the 1990s, the low savings rate did not appear to be a severe problem because the stock market was doing the saving for households. This held until the stock market correction took place in 2000. Although aggregate household net worth has recovered from the losses it suffered from 2000 to 2002, it will be late 2007 before inflation-adjusted net worth per household fully recovers from the 18.7% hit it took between early 2000 and summer 2002.



Energy: One of the most significant changes from the previous forecast to the current one is the price of oil. To recap, in the July 2004 forecast it was assumed that the price of oil was close to cresting, and would decline to more sustainable levels. While this forecast may now seem optimistic, it was realistic

at the time it was prepared. At that time the Saudis had agreed to ramp up production. The spot price of West Texas Intermediate crude had fallen below \$40 per barrel and the prices for delivery six and 12 months out had fallen to the mid-\$30s. However, this changed during the summer, as prices once again headed up. By this fall it was over \$50 per barrel. As a result, it is assumed oil prices will remain high over the next few years. As a result, energy prices will be a drag on the economy. The recent surge in oil prices results from the confluence of fundamental shifts in petroleum markets and fears about supply disruptions. Since the acceleration of U.S. and global growth in mid-2003, demand for oil has grown much faster than supply, and this has pushed up prices. Compounding the fundamental oil market price pressures are fears over supply disruptions. These include attacks on Iraqi pipelines, political turmoil in Venezuela and Nigeria, and tax problems at Yukos, the Russian oil conglomerate. Unfortunately, oil market fundamentals also mean there is little relief in the next few years. The biggest problem is there is virtually no spare capacity in or outside OPEC. This current situation is the result of the dearth of investment in oil exploration and extraction during the mid-1990s. The good news is that high oil prices will eventually encourage investment in new capacity. The bad news is it will not happen overnight. Until then, any incremental oil supplies will come mainly from high-cost, remote, and politically unstable areas of the globe. As a result, oil prices are projected to remain high for an extended period of time. Specifically, the price per barrel of West Texas Intermediate crude is expected to stay above \$40 for the rest of this year, fall to \$39 per barrel in 2005, drop to \$36 per barrel in 2006, and decline to about \$35.00 per barrel in 2007. It has been estimated the increase in oil prices, both actual and projected, since the year's beginning has shaved about 0.3-0.4% off GDP this year and about 0.7-0.8% off GDP next year. Sectors that will be particularly hard hit by high oil prices include airlines, other transportation services, utilities, the chemical industry, and heavy manufacturing.

Consumer Price Inflation



Source: Global Insight

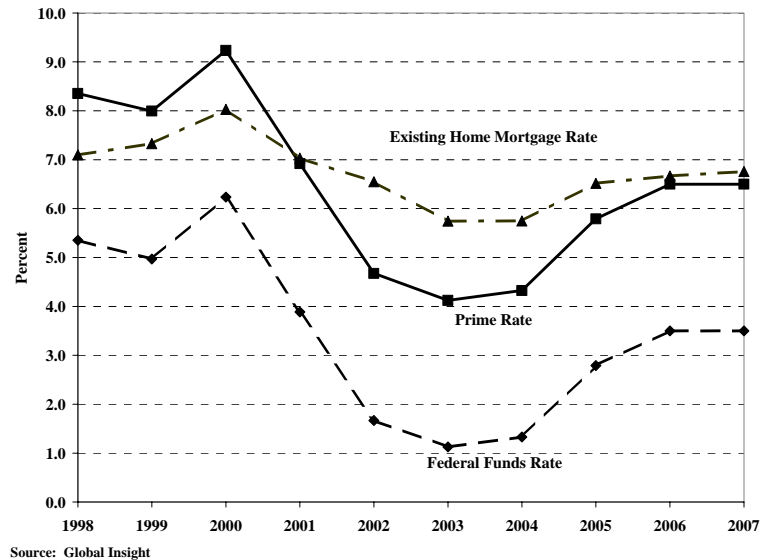
Inflation: The run up in oil prices has had a surprisingly limited impact on overall inflation. Recent data show the energy sector has borne virtually the entire burden of surging oil prices. In the second quarter of this year, consumer prices in the energy sector soared at a 26.3% rate. During this same period, the core (all sectors except food and energy) inflation rate rose at a modest 3.0% annual rate. The overall inflation rate for the second quarter of 2004 was 4.7%. Over the forecast horizon, core inflation will continue to have more of an influence over total inflation, and this is good news. Core inflation is expected to drift higher over the near term due to rising labor costs. Rising labor costs

reflect slower productivity growth. However, the upward drift in labor costs and, in turn, core inflation should not be a problem. Under these conditions the core inflation rate should be about 2.0%, which is fairly modest. Prices will also be held in check by competitive pressures. There is evidence this is already taking place. For example, finished goods prices actually fell recently even though prices at the intermediate level were rising. This suggests competitive pressures are forcing producers to absorb cost increases rather than pass them on to consumers. The anticipated decline in other commodities—metals, coal, lumber, chemicals, agricultural—should also help relieve inflationary pressures. Finally, oil prices are expected to fall gradually over the forecast period. As a result, overall consumer inflation should be below 2.0% during the most of the forecast period. Given the recent increase in its price, oil will remain one of the most closely watched economic indicators over the next few months. This begs the question: “What if oil prices do not retreat?” This is a possibility. Early this year forecasters

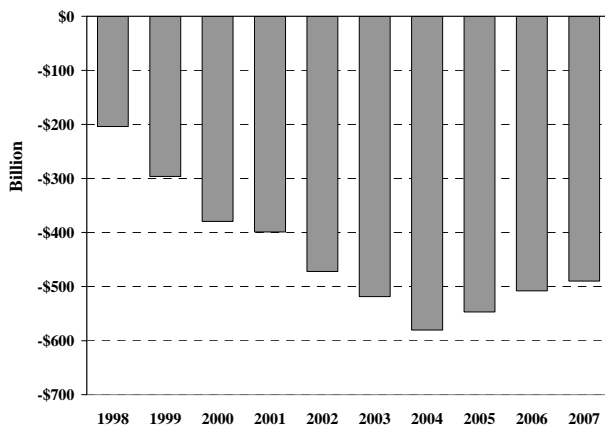
believed the oil price run up was over. However, this fall prices had climbed above \$50 per barrel. A scenario has been prepared to explore the impact on inflation if oil prices remained higher than anticipated. The base forecast assumes the price of West Texas Intermediate crude slides from a high of \$40.31 per barrel in 2004 to \$34.14 per barrel in 2008. In the *Pessimistic Alternative Scenario* the price of oil falls, but more slowly. Under these conditions total consumer inflation would rise about 2.5% per year, compared to less than 2.0% annually when oil prices decline more steeply.

Financial: Setting policy at the Federal Reserve, while never an easy task, became a bit harder recently due to stubbornly high oil prices and meager job growth. The nation's central bank began raising its bellwether federal funds rate 0.25 percentage point on June 30, 2004 in an attempt to normalize its rates from the ultra-low 1% level it reached at the trough of its recent cycle. This move was followed by 0.25 percentage point increases in August and September, bringing the rate up to 1.75%. Uncertainty about oil prices, along with slower economic growth, complicates the Federal Reserve's job. Higher oil prices could create a dilemma for the Federal Reserve by simultaneously worsening inflation and dampening economic growth prospects. So far the impacts of rising oil prices have been limited to energy costs. Indeed, core inflation has been remarkably benign, despite surging oil prices. This will buy the nation's central bank some policy latitude. However, while some policy doors have remained open others may close. September's disappointing labor report suggests the economic recovery may not be on as solid footing as had been previously thought. At the minimum, it makes it harder for the Federal Reserve to make the case for its current plan to gradually raise interest rates. If the economy is fragile and inflation is benign, what justification is there for raising rates? The current forecast assumes the Federal Open Market Committee will raise the federal funds rate by another 0.25 percentage point when it meets on November 10, 2004. Keep in mind, however, this assumption was made before the September 2004 labor market report was released. Before then it was a good bet the Federal Reserve would continue the policy it began in June 2004. Now there is a good chance the central bank may postpone its next increase until the labor market improves.

Selected Interest Rates



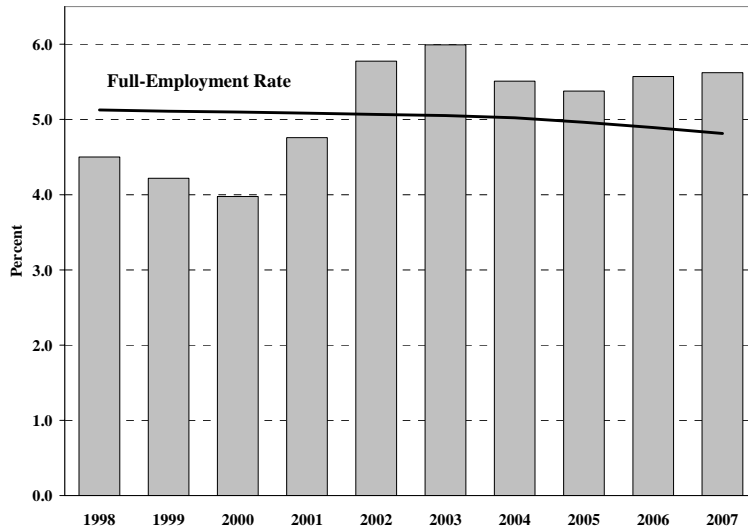
Real U.S. Trade Deficit



International: The forecast for 2004 global economic growth remains above 4.0%, but some cracks are beginning to develop in the expansion. One obvious concern is high oil prices. Apart from high oil prices, other risks stem from the imbalanced nature of growth. The world continues to depend on the United States and China for a disproportionately large share of the expansion. The sharp deterioration of America's current account deficit in 2004's second quarter—plus weak domestic demand in the Eurozone and Japan—indicates the world is too dependent on the United States as a locomotive for economic growth. In the Eurozone, second-quarter growth

came in at 2.1%. Unfortunately, almost all of it was driven by external demand. Specifically, domestic demand grew just 0.4%. The most recent news from Japan has also been disappointing. Second-quarter growth was revised down from the original estimate of 1.7% to 1.3%. As in the Eurozone, growth was led by the foreign sector; domestic demand barely budged from the first quarter. China remains a major concern. At this time, any signs of a slowdown are being welcomed because they decrease the risk of the economy over heating and suffering a hard landing in the future. The most recent data show no clear sign of cooling growth. This is a concern because it could lead to policy measures to reign in growth. The danger is any policy action runs the risk of being too heavy handed. This would slow growth abruptly, leaving The United States economy as the world's sole engine of economic growth.

U.S. Civilian Unemployment Rate



Source: Global Insight

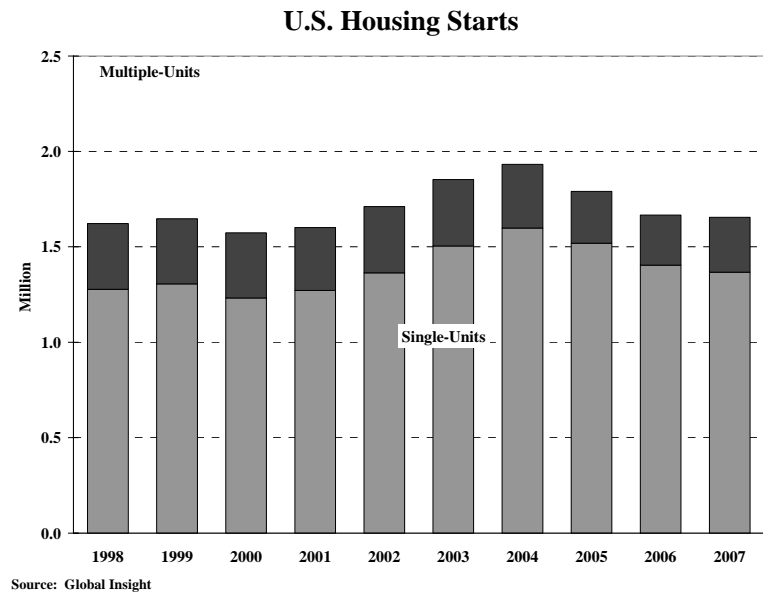
Employment: Most of the attention regarding the labor market has focused on its disappointing performance in September 2004. Seasonally-adjusted nonfarm payroll employment was expected to rise 150,000 in that month. Instead, it rose by just 96,000 jobs—one of the year's weakest showings. Over the prior three months, payroll employment gained 103,000 jobs on average. All of September's job gains were in service sectors. The U.S. Department of Labor has pointed out the unusual string of four hurricanes probably held down national employment in September. While the Department of Labor could not precisely estimate the impact on jobs, it did state the impact was not big enough to materially impact the September 2004

payroll estimate. Not surprisingly, the September report has raised concerns the job recovery may be running out of fuel. Indeed, a close look at the data shows that after a strong start earlier this year, monthly job gains have become smaller. Specifically, there was a gain of 885,000 nonfarm jobs in March, April, and May of this year. Since May, payroll employment has risen by 405,000. One fear is if the job market gets too sluggish it will derail the recovery. This does not appear likely. Although recent job increases have been disappointing, they are still consistent with a clear rebound in this year's third quarter. Total hours worked in the private sector rose at a 3.2% annual rate in the third quarter—the strongest showing this decade. This acceleration in hours worked, combined with evidence of strong gains in consumption, construction, and business investment, support the view GDP accelerated to over 4.0% in the third quarter from 3.3% in the second quarter. In fact, real GDP is expected to increase over the forecast period. Nonfarm payroll employment in the U.S. is anticipated to advance 1.0% in 2004, 1.7% in 2005, 1.1% in 2006, and 0.9% in 2007.

Housing: This year will be a banner year for the housing industry. This can be seen in several measures of this sector's health. The number of total housing starts is expected to climb to nearly 2.0 million units this year—its strongest showing since 1978. Single housing starts should rise to nearly 1.6 million units, which is the all-time record. Given the robust housing starts, it is no wonder real spending on residential housing is expected to increase nearly 10% this year after advancing nearly 9% in 2003. These strong gains were due in large part to spending on single-family housing that grew even faster than total housing spending. The housing market's success is being fueled by several factors. These include relatively healthy income growth, recovering household finances, favorable demographics, and attractive mortgage interest rate rates. Inflation-adjusted disposable personal income growth accelerated from 2.3% in 2003 to an estimated 3.3% in 2004. Real household net worth

improved 10.4% last year and 3.8% this year. New household formations grew 1.3% in 2004, which is slightly faster than the total population. Most notably, however, the conventional 30-year fixed mortgage interest rate has remained under 6.0% for two years in a row. Under these conditions the U.S. home ownership rate has soared to a four-decade high of 69.2% in the second quarter of 2004. The strong demand should increase an existing home's average price 8.9% in 2004 and a new homes price 9.8%. Ironically, strengths in some parts of the housing markets have caused weaknesses in other parts. For example, the affordability of single-family housing has been a boon to this sector, but has contributed to the

expected declines in multi-family and manufactured homes in 2004. Although the housing industry's performances for just the last two years have been highlighted, it has been posting gains since 2001. Having set the bar so high, it will be challenging for the housing industry to continue its string of gains. In fact, this forecast assumes housing starts will decline over the forecast period. One fear is that having risen strongly, housing starts will collapse. This is not likely. Instead, housing starts are expected to decline gradually to just above its 2001-level over the forecast period.



IDAHO FORECAST DESCRIPTION

The Forecast Period is the Second Quarter of 2004 through the Fourth Quarter of 2007

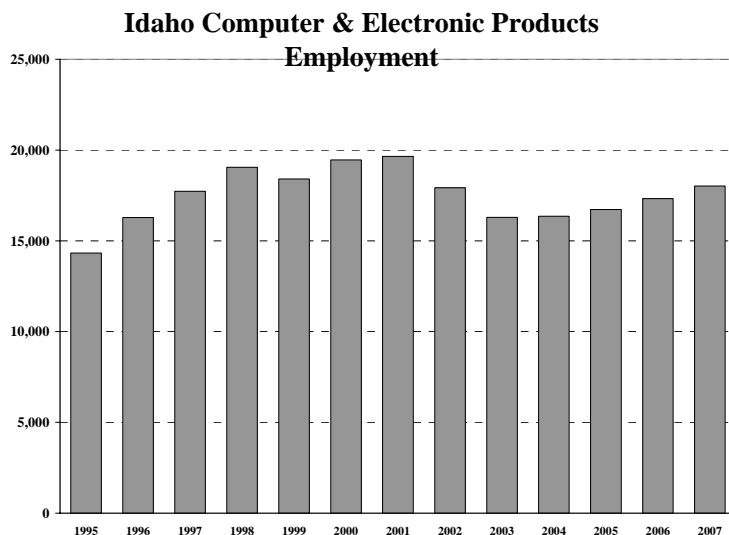
Like its national counterpart, the outlook for the Idaho economy has changed. Unlike its national counterpart, the change is not easy to perceive. Indeed, a cursory look at the data leaves one conflicted. Two key economic indicators serve as an example of this paradox. Idaho nonfarm employment is higher each year compared to the previous forecast. However, Idaho real personal income is lower than its predecessor in three of the four years in the current *Forecast*. There appears to be an inconsistency between the employment and personal income data. However, a closer look at the data reveals these two measures are more consistent than they may have seemed at first blush. Clearly, a deeper look at the data is required. They both point to an Idaho economic outlook that is stronger in the short run, then grows slightly slower in the long run compared to the previous *Forecast*.

Idaho nonfarm employment is reviewed first. As was mentioned above, it is higher than had been previously forecasted in July of this year. For example, nonfarm employment is expected to be 4,500 higher in 2004. Some of this increase reflects the availability of new data that shows construction employment was much stronger in the first half of this year than had been previously believed. Another reason employment is higher is because of a series break that caused Idaho non-education government employment to jump about 1,400 at this year's start. A close look at the employment data shows the differences between the current and previous employment forecasts narrow over time. By the end of 2007, there are only 990 more jobs than in the previous *Forecast*. This implies that after getting a head start in 2004, Idaho nonfarm employment advances slower in the remaining years of the forecast. This is true. In the July 2004 *Idaho Economic Forecast*, Idaho nonfarm employment averages 2.0% annual growth. This is slightly faster than the 1.8% annual pace anticipated in the current *Forecast*.

The Idaho personal income projections reveal a story similar the employment data. For example, Idaho nominal personal income in the current *Forecast* starts out \$70 million (0.2%) higher in 2004 than in the previous *Forecast*. However, by 2007 it is \$146 million lower (-0.3%) than the previous projection. The decline is more pronounced when the personal income forecast is adjusted for inflation. Specifically, Idaho real personal income goes from being \$7 billion above its predecessor in 2004 to being \$233 billion (-0.6%) below it in 2007. This occurs because real personal income grows slower over the forecast period than in the previous forecast. In the current *Forecast* real personal income growth averages 3.5%. It averages 3.6% in the previous *Forecast*.

In summary, the outlook for Idaho's economy has changed. Over the next few years it will grow slightly slower than had been previously forecast. What has not changed is that the Gem State's economy should out perform the national economy. Over the forecast period, Idaho nonfarm employment should expand 1.9% per year, which is above the nation's expected 1.2% pace. Idaho real personal income also grows faster than the U.S. pace.

SELECTED IDAHO ECONOMIC INDICATORS

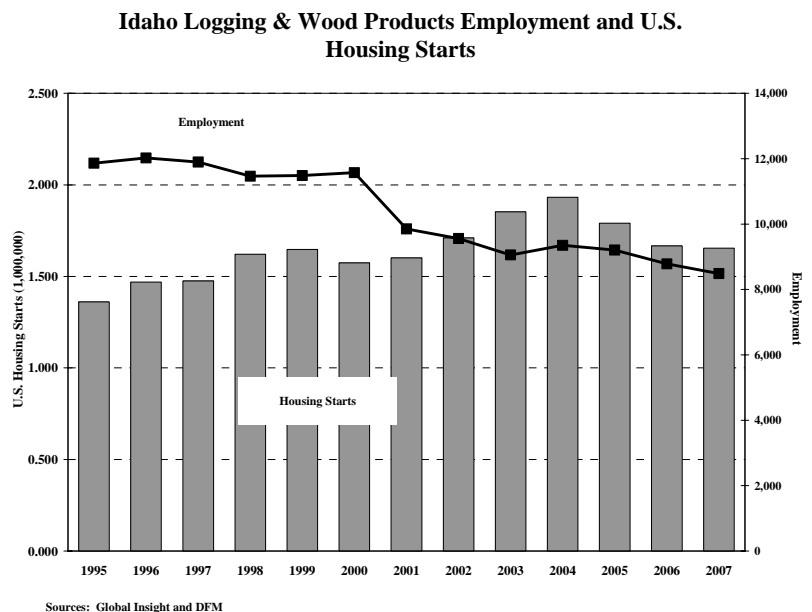


Computer and Electronics: The case for a return to growth for Idaho's computer and electronics sector continues to build. Not only does the current forecast indicate employment will increase, the rate of expansion has been raised above the previous projection. After experiencing job losses over 11 consecutive quarters, Idaho's high-tech employment posted a 3.3% annual gain in the first quarter of this year and 4.5% in the second quarter, which was almost twice as fast as had been previously forecast. This is a welcome change from this sector's recent string of job losses. Idaho computer and electronics employment peaked at nearly 20,700 in the first

quarter of 2001 then shed nearly 4,700 jobs through the end of 2003. In 2001, Jabil Circuit, Micronpc.com, SCP Global Technologies, Micron MCMS, AMI, and Hewlett-Packard reduced their staffs. As a result, this sector's employment growth slowed from 5.7% in 2000 to 1.0% in 2001. The Gem State's computer and electronics sector suffered another round of layoffs in 2002, which caused employment to decline 8.8% in that year. Much of the job contraction occurred because of the real decline in business investment caused by the implosion of the high-tech bubble. With the fallout from that event finally behind, both real business investment and Idaho's computer and electronics employment should expand. Real investment in computers began picking up steam in the second half of last year and Idaho high-tech employment followed after about six months. The outlook for expanding real investment in computers translates into the projection for several years of employment growth in Idaho's computer and electronics sector. It should be noted that attractive tax treatments for investments expire this year. This will contribute to an estimated 44.9% surge in computer investment in the last quarter of this year followed by an 11.1% decline in the first quarter of next year. This swing will have a negligible impact on the pattern of Idaho computer and electronics job growth. Real investment on computers should proceed more smoothly after the beginning of next year. Specifically, this measure expands 26.5% in 2004, 17.9% in 2005, and about 21.0% in both 2006 and 2007. The quickening pace of real investment reflects the anticipated replacement demand for computers and peripheral devices. Computer systems and software purchased during the last expansion are quickly becoming technologically obsolete. As a result, businesses need to upgrade and/or replace them soon. Demand for computers and peripherals should also be augmented by the high productivity returns for investing in technology. Idaho's computer and electronics sector employment was previously forecast to be flat in 2004 then rise 1.9% in 2005, 3.1% in 2006, and 3.9% in 2007. In the current forecast, the number of jobs in this sector increases 0.4% this year, 2.3% next year, 3.6% in 2006, and 4.0% in 2007.

Logging and Wood Products: Idaho's logging and wood products employment is expected to experience a rare gain in 2004, its first in four years. This year's employment increase suggests the Gem State's logging and wood products sector may finally be enjoying the fruit of the strong national

housing market. This has been a long time in coming. Idaho's lumber and wood products sector has been shedding jobs and shuttering mills even though the U.S. housing market has been strong. This sector has traditionally prospered when the U.S. housing industry is healthy. The housing industry has indeed done well recently. The number of U.S. housing starts has increased in every year since 2000, and nearly 1.9 million starts are expected in 2004—its strongest showing since 1978. It would be reasonable to expect Idaho lumber and wood products employment to rise under such strong demand, but it has not. This sector's employment last peaked in 2000 at about 11,600 jobs. It has fallen in each



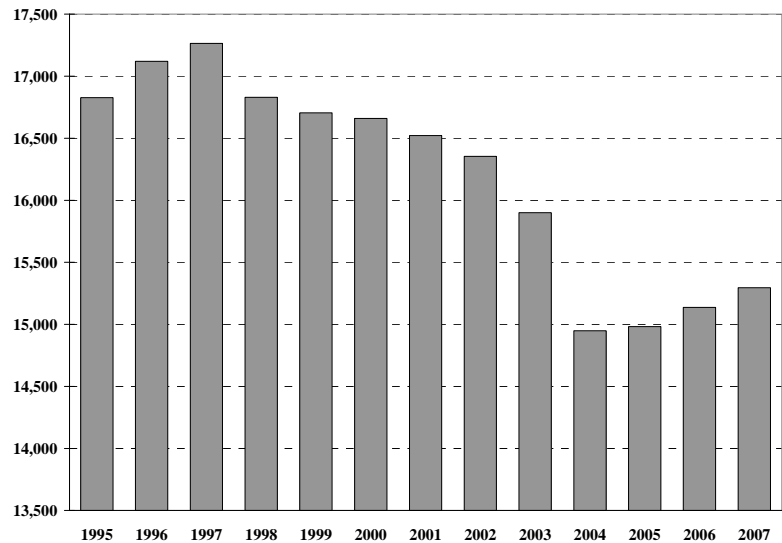
of the three subsequent years. The worst year was 2001, when employment declined a whopping 14.9%. Employment fell by another 3.0% in 2002 and 5.3% in 2003. The closing of several mills over this period caused a portion of these declines. Approximately 125 jobs were lost when Boise Cascade shuttered its Cascade, Idaho mill in 2001. About 250 jobs were lost in 2002 when the company's Emmett, Idaho mill closed. Potlatch ceased operations at its Jaype Mill near Pierce, a move that cost about 215 jobs. Louisiana-Pacific closed its Bonners Ferry mill, putting about 140 people out of work. One of the reasons these mill closures are distressing is because their job losses are permanent. Unlike cyclical layoffs, where employees are recalled when business conditions improve, workers from closed mills have no place to return to work. It should also be pointed out that these jobs tend to be high-paying jobs and the mill is often a community's major employer. As a result, the fallout from a mill closure is felt not just inside the mill's gate, but also throughout the community. Interestingly, Idaho mills may have recently benefited from the recent increase in the value of the Canadian dollar, which has made Canadian products more expensive compared to their American counterparts. Industry experts at Random Lengths Publications have speculated smaller Canadian mills were counting on a more favorable exchange rate to remain in business. While demand factors have influenced this sector's recent fortunes, its long-term outlook will be dominated by supply factors. Strong markets in the 1990s led to heavy capital investment in this sector. As a result, it is estimated the industry can produce 20% to 25% more lumber than is being consumed in North America and Canada. Also, the industry's problems have been compounded by the dearth of timber available from federal lands. A look at the last decade's harvests shows how steep the decline has been. According to the U.S. Department of Agriculture, 739 million board feet (mbf) were harvested in Idaho in 1991, or about 41% of the state total. In comparison, federal lands in Idaho yielded just 102 mbf a decade later, which was less than 10% of the total harvest. In addition, unresolved fair trade issues between the U.S. and Canada are another source of uncertainty regarding future supplies. Idaho logging and wood products employment is expected to rise 3.3% in 2004, decline 1.5% in 2005, 4.6% in 2006, and 3.3% in 2007.

Food Processing: The state's large food processing sector received some good news recently. Gossner Cheese of Logan, Utah recently announced plans to build a new plant in the Mini-Cassia Industrial Park. Building the new facility will require over 100 construction workers, and the plant will create over 40 jobs when it becomes operational in October 2005. This new plant is symbolic of the growing presence of dairy industry in the state. According to the USDA, the size of Idaho's dairy herd has

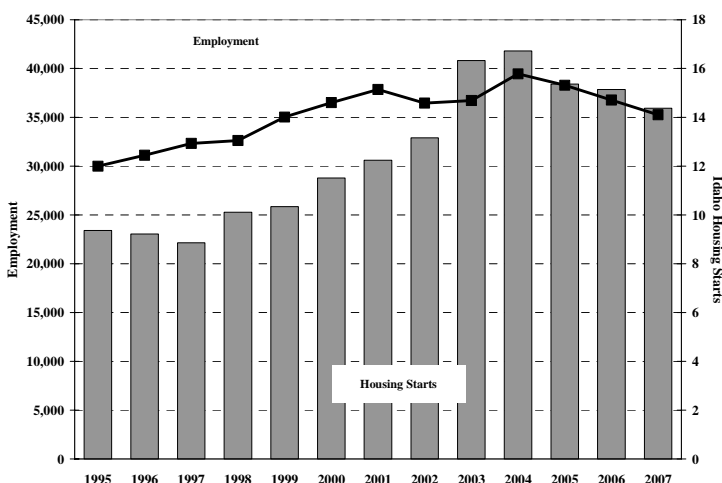
grown from nearly 208,000 cows in 1994 to 404,000 cows in 2003. Over this same period, milk production more than doubled from 3.8 billion gallons to 8.8 billion gallons because of the increased output per cow. The amount of milk sold to plants also more than doubled during this time. Milk cash receipts grew from a little under one-half billion dollars in 1994 to over one billion dollars in 2003. The opening of the new Gossner plant is also a welcome change from the recent string of plant closings. Nearly 360 jobs were lost when unfavorable business conditions caused J.R. Simplot Company to also close its Nampa meat

packing plant in the fall of 2003. In addition, J.R. Simplot Company recently shuttered its Heyburn potato processing plant. The plant was built in 1960 and had run continuously since that time. However, former processing sites could be the home of new jobs. J.R. Simplot Company gifted the entire property of its Heyburn plant to the City of Burley. The City of Burley has retained the Boyer Company of Utah to manage the former Heyburn plant site and recruit businesses to the Mini-Cassia Industrial Park. The Gem State's food processing sector will start to experience some long-awaited employment gains beginning in 2005, but these increases will not be robust enough to offset the losses it has experienced in recent years. This sector's employment last peaked at 17,263 in 1997. After experiencing a 6.0% loss this year, Idaho food processing employment is projected to rise 0.2% next year and about 1.0% in both 2006 and 2007. In the last year, employment should be 15,295, or about 2,000 lower than its 1997 peak.

Idaho Food Processing Employment



Idaho Construction Employment & Housing Starts



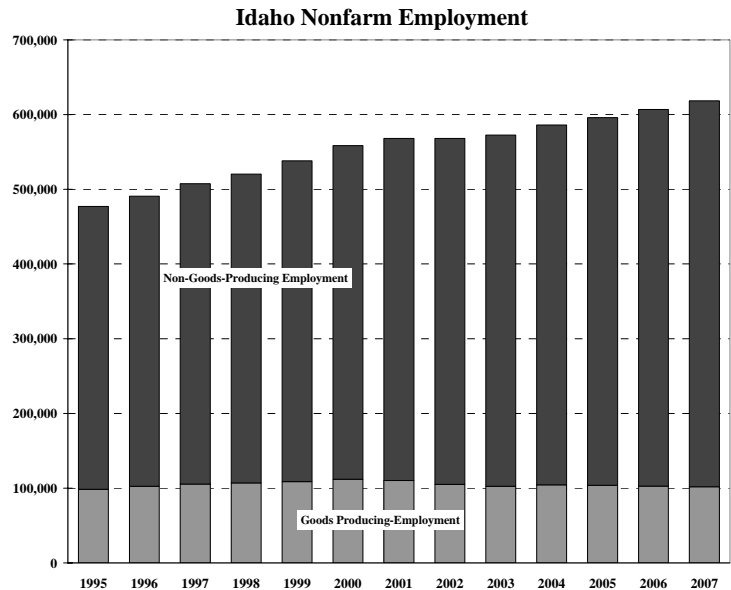
Construction: Idaho's construction sector once again defied the previous forecast by advancing faster than had been earlier predicted. Total Idaho housing starts expanded at a 15.9% annual pace in the second quarter of 2004. In July 2004, it was predicted Idaho housing starts would fall at a 9.2% annual pace in that quarter. A strong showing in multiple-unit starts accounted for a large portion of this strength. Specifically, multi-unit starts were 2,487, which was 517 higher than had been previously forecast. Construction employment was stronger than anticipated in both the first and second quarters of this year. In July 2004, construction employment was projected to increase 4.8% in the first quarter of 2004 and decline by 4.9% in the following quarter.

New data show this forecast was too low. Idaho construction employment advanced at a 16.3% rate in the first quarter followed by 11.7% in the second quarter. As a result, Idaho construction employment

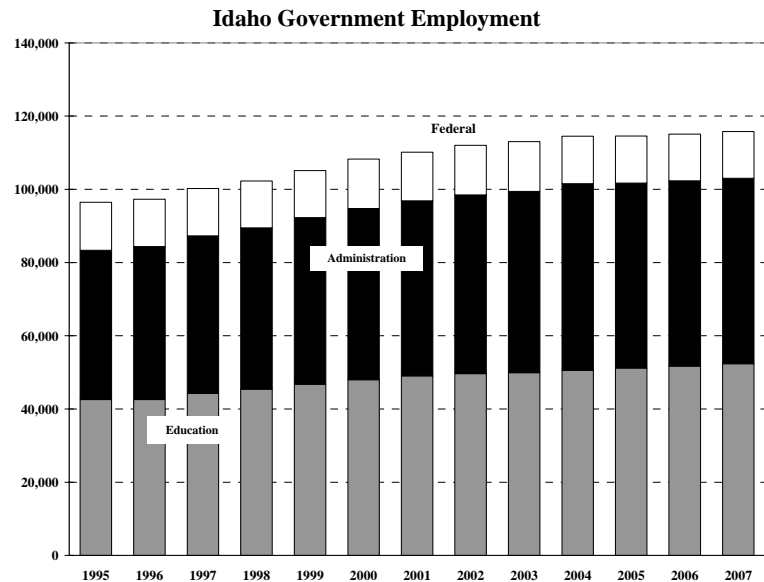
was at 39,980 in the second quarter of 2004, or about 2,500 higher than had been previously forecast. Although Idaho's construction industry has displayed surprising strength recently, it will eventually yield to the negative influences of rising mortgage interest rates and cooling population growth. While these factors may cause the construction sector to sputter, this important engine of economic growth is not expected to collapse. Over the forecast period total Idaho housing starts are expected to fall from 16,329 in 2003 to 14,372 in 2007. Likewise, Idaho construction employment should decline from a high of 39,443 in 2004 to 35,258 in 2007. These declines in Idaho housing starts and construction employment should be put in perspective. They represent a retreat from high levels of activity, and they are healthy by historical standards. Likewise, Idaho construction employment should retreat, but still remain comfortably above its historical average.

Nongoods-Producing Industries:

Nongoods-producing employment accounts for eight of every ten nonfarm jobs in Idaho. The two largest nongoods employers are services and trade, representing three-fourths of nongoods-producing employment, or over 60% of Idaho total nonfarm employment. The services category is the larger of the two categories. The three largest services components are: professional and business services; education and health services; and leisure and hospitality services. Professional and business services should be one of strongest performers. After experiencing a relatively anemic showing in 2003, professional and business services employment should expand an average of 3.8% per year through 2007. Education and health services employment should benefit from increased demand for health services caused by the aging population. Education and health services should grow 3.3% annually. The outlook for leisure and hospitality employment will be determined by several factors. On the plus side, domestic tourism is expected to benefit from the weak dollar, high airline fares for international travel, and fears about traveling abroad. On the minus side, Idaho travel could be hampered by high gasoline prices. Leisure and hospitality services employment is forecast to increase an average of 3.2% annually. The next group consists of financial services; transportation, warehousing, and utilities; and other services. Financial services employment growth is projected to average 2.3%, while transportation, warehousing, and utilities are expected to average 1.8% growth. Other services should advance 2.0% yearly. The smallest sector is information services. Idaho's high-quality labor force should continue to attract call centers, with the number of information services jobs growing 3.4% annually. The trade category consists of retail and wholesale components, with retail being the larger of the two. Retail trade should average 2.3% growth over the forecast period, while wholesale trade advances at a 0.9% yearly pace. Overall, total employment in Idaho's nongoods-producing sector is forecast to rise 2.4% in 2004, 2.2% in 2005, 2.4% in 2006, and 2.4% in 2007.



Government: Idaho state and local government employment growth is forecast to slow as the state's population growth cools. The relationship between government employment and population growth is well documented, but some history adds perspective. From 1990 to 2000 the Gem State experienced a boom during which its population grew over 27%, or an average of about 2.5% per year. In comparison, the U.S. economy grew about half as fast as Idaho during that decade. Idaho's fast-growing population increased the demand for government services, and overall state and local government employment growth averaged 3.0% from 1991 to 2000. Since the new millennium's start, Idaho's population has downshifted, and has averaged about 1.7% per year. Idaho's slower population pace is due largely to the anticipated decline in migration. Historically, Idaho's population growth spurts have been fueled by migration. For example, new arrivals poured into Idaho during the last decade. At its peak in 1993 and 1994, more than 27,000 persons entered the state than left it. By the decade's end net migration had slowed to about 13,000, and it is expected to drop below 10,000 by 2007. Idaho's population is forecast to expand about 1.5% annually over the forecast period. While important, population is not the sole determinant of government employment. The number of state and local employees is also determined by how many workers governments can afford. In Idaho, state-mandated budget caps for local governments limit local government budgets. In addition, state spending is subject to the requirement that the budget is balanced. Under these conditions, Idaho state and local government employment should grow less than 1.0% per year. The exception to this is 2004, where employment jumps 2.1%. This increase is largely due to a series break in the noneducation related data. Beginning with 2004, Idaho's Department of Commerce and Labor began using improved estimates for Idaho noneducation related government employment. However, at this time, the years prior to 2004 have not been revised. The result is a series break that manifests itself as a 13.9% annualized rate of change in employment from the last quarter of 2003 to the first quarter of 2004. On an annual basis, Idaho noneducation related employment should advance 3.0% in 2004, decline 0.9% in 2005, and rise 0.1% in both 2006 and 2007. In comparison, the state's education employment is stronger. Specifically, it is projected to increase about 1.2% per year. The federal government component is a relatively small part of Idaho employment. It accounted for 13,621 jobs, or about 2.4% of total nonfarm employment. In contrast, there were nearly 100,000 state and local jobs in Idaho. Unlike state and local employment, the number of federal jobs in Idaho is set by factors beyond its borders. Federal budget writers in Washington, D.C. mainly determine federal employment in Idaho. The return of federal deficits does not bode well for Idaho federal government employment, especially since there is a relatively small military presence in the state. Federal government employment in Idaho is expected to shrink slowly over the next few years, going from 12,981 in 2004 to 12,732 in 2007.



FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses Global Insight's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the July 2004 to the October 2004 *Idaho Economic Forecast*. The October 2004 *Idaho Forecast* is based on Global Insight's September 2004 baseline forecast and the July 2004 *Idaho Forecast* is driven by Global Insight's June 2004 baseline U.S. macroeconomic forecast.

A comparison of several key variables shows how the outlooks for the national and state economies have changed since the July 2004 *Idaho Economic Forecast* was published. A review of several macroeconomic variables shows the short-run outlook for the U.S. economy has been downgraded. The forecast for nominal GDP is lower in 2004 compared to the previous forecast and generally grows more slowly over the forecast period. As a result, it goes from being \$53 billion lower than previously forecast in 2004 to \$108 billion lower in 2007. The differences between the current and previous forecasts are even more pronounced when GDP is adjusted for inflation. The gap between the current and previous real GDP forecast grows from \$84 billion in 2004 to \$169 billion in 2007. This reflects the anticipated higher inflation over the next few years. The higher inflation also exacts a toll on U.S. real personal income, causing it to grow more slowly over the forecast period. Because of this slower growth, U.S. real personal income goes from being \$94 billion below the previous forecast in 2004 to \$215 billion under in 2007. National nonfarm employment displays a similar pattern. In 2004, there are nearly 250,000 fewer job in the current forecast compared to the prior one. By 2007, the size of this gap is nearly 1.5 million jobs.

The changes to the Idaho forecast are very similar to those of the U.S. forecast. They are just a bit harder to see in the state forecast. For example, the outlook for Idaho employment has improved. It is higher in each year compared to the previous forecast. But this gap narrows over time. Specifically, Idaho nonfarm employment in 2004 goes from being 4,500 higher than previously forecast to just 990 higher in 2007. This reflects a lower growth rate than in the previous forecast, as was the case with the national forecast. This phenomenon of slower growth is evident in both the goods-producing and nongoods-producing employment categories. Idaho nominal personal income starts out \$70 million higher in 2004 compared to the prior projection, but is \$146 million lower by 2007. This difference is more pronounced when Idaho personal income is adjusted to reflect the anticipated higher inflation. Specifically, the gap between the current and previous forecast of real personal income is plus \$7 million in 2004, minus \$94 million in 2005, minus \$207 million in 2006, and minus \$233 million in 2007.

**IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
OCTOBER 2004 AND JULY 2004 FORECASTS**

	1999	2000	2001	2002	2003	2004	2005	2006	2007
GDP (BILLIONS)									
Current \$	0	0	27	6	16	-53	-85	-72	-108
% Difference	0.0%	0.0%	0.3%	0.1%	0.1%	-0.4%	-0.7%	-0.6%	-0.8%
2000 Chain-Weighted	0	0	24	-8	-17	-84	-136	-143	-169
% Difference	0.0%	0.0%	0.2%	-0.1%	-0.2%	-0.8%	-1.2%	-1.2%	-1.4%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	0	0	0	0	-19	70	19	-45	-146
% Difference	0.0%	0.0%	0.0%	0.0%	-0.1%	0.2%	0.0%	-0.1%	-0.3%
U.S. (Billions)	0	0	11	-31	-46	-86	-158	-174	-214
% Difference	0.0%	0.0%	0.1%	-0.4%	-0.5%	-0.9%	-1.5%	-1.6%	-1.9%
PERSONAL INCOME - 2000 \$									
Idaho (Millions)	0	0	-18	-38	-77	7	-94	-207	-233
% Difference	0.0%	0.0%	-0.1%	-0.1%	-0.2%	0.0%	-0.3%	-0.6%	-0.6%
U.S. (Billions)	0	0	6	-40	-59	-94	-173	-200	-215
% Difference	0.0%	0.0%	0.1%	-0.5%	-0.7%	-1.0%	-1.8%	-2.1%	-2.1%
TOTAL NONFARM EMPLOYMENT									
Idaho	5	38	38	27	-53	4,509	4,363	2,949	990
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.7%	0.5%	0.2%
U.S. (Thousands)	0	0	0	0	0	-249	-779	-1,184	-1,482
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.6%	-0.9%	-1.1%
GOODS PRODUCING SECTOR									
Idaho	0	1	-1	-2	-4	2,410	2,569	1,871	688
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%	2.5%	1.9%	0.7%
U.S. (Thousands)	0	0	0	0	0	-27	32	-18	-98
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.1%	-0.1%	-0.4%
NONGOODS PRODUCING SECTOR									
Idaho	5	38	40	29	-49	2,099	1,794	1,079	302
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.4%	0.2%	0.1%
U.S. (Thousands)	0	0	0	0	0	-223	-810	-1,166	-1,384
% Difference	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.7%	-1.0%	-1.2%
FINANCIAL MARKETS									
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Mort Rate, Existing Homes	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.3%	-0.2%	-0.1%
INFLATION									
GDP Price Deflator	0.0	0.0	0.0	0.1	0.3	0.4	0.6	0.8	0.7
Personal Cons Deflator	0.0	0.0	0.1	0.1	0.2	0.2	0.3	0.5	0.3
Consumer Price Index	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Forecast Begins the SECOND Quarter of 2004

ALTERNATIVE FORECASTS

Global Insight has assigned a 60% probability of occurrence to its September 2004 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP increases 4.3% in 2004, 3.3% in 2005, 2.9% in 2006, and 3.2% in 2007;
- U.S. nonfarm employment grows 1.0% in 2004, 1.7% in 2005, 1.1% in 2006, and 0.9% in 2007;
- the U.S. civilian unemployment rate hovers near 5.5%;
- consumer inflation is 2.6% in 2004, 1.9% in 2005, 1.5% in 2006, and 1.79% in 2007; and
- the federal unified budget deficit peaks at \$432 billion in 2004 then gradually declines to \$284 billion in 2007.

In the baseline forecast the expansion is self-sustaining. It is possible, however, growth is on the verge of faltering. High energy prices, rising food prices, heavy debt burdens, and rising interest rates may be eroding consumers' ability to spend. A return to weak employment growth, unexpectedly high inflation, and no gains in real income could force the Federal Reserve to choose between fighting inflation and encouraging growth. The pessimistic alternative assumes the fed battles inflation. The optimistic scenario resembles the late 1990s. This scenario recognizes the power of momentum. As the decade-long expansion of the 1990s showed, once an economy gets up a head of steam, it is difficult to slow it down.

OPTIMISTIC SCENARIO

The *Optimistic Scenario* has been assigned a 20% probability of occurrence. A few key assumptions distinguish the *Optimistic Scenario* from the baseline. In this *Scenario*, total factor productivity is higher than in the baseline. This helps the economy expand faster without rekindling inflation. Job growth is also stronger, while budget deficits are much smaller. This *Scenario* assumes stronger foreign growth boosts exports despite a stronger dollar. In addition to these key assumptions, oil prices are lower and construction is stronger.

These assumptions produce a rosier outlook than in the baseline. Although economic growth and job gains are stronger, inflation is actually lower than in the baseline thanks to the strong dollar and higher productivity gains. The lower inflation rate allows the Federal Reserve to be more accommodating than in the baseline. Real GDP rises 4.3% in 2004, 3.9% in 2005, 3.8% in 2006, and 3.6% in 2007. In the baseline, real GDP grows 4.3% in 2004, 3.3% in 2005, 2.9% in 2006, and 3.2% in 2007. In the *Optimistic Scenario*, nonfarm employment advances 1.0% this year, 1.8% next year, 1.6% in 2006, and 1.2% in 2007. The labor market's strength is also evident in the civilian unemployment rate, which declines from 5.5% to 5.1% over the forecast horizon. In contrast, the unemployment rate remains near 5.5% during the forecast period in the baseline case. Nonfarm employment grows 1.0% in 2004, 1.7% in 2005, 1.1% in 2006, and 0.9% in 2007.

The higher U.S. productivity presents a mixed outlook for Idaho. It is a slight plus for Gem State employment. Specifically, nonfarm employment advances a healthy 2.3% this year, 1.7% next year, 1.9% in 2006, and 1.8% in 2007. As a result, Idaho nonfarm employment is about 200 higher than in the *Baseline Forecast*. But looking at total employment does not give the complete picture, because individual sectors perform differently. As the table shows, the goods-producing sector's employment prospers in this *Scenario*, and is nearly 2,300 higher than the baseline in 2007. In contrast, the nongoods-producing sector's employment is actually lower than in the baseline in 2007. Interestingly, the higher

IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
OCTOBER 2004

	BASELINE				OPTIMISTIC				PESSIMISTIC			
	2004	2005	2006	2007	2004	2005	2006	2007	2004	2005	2006	2007
GDP (BILLIONS)												
Current \$	11,713	12,341	12,917	13,579	11,717	12,384	13,036	13,717	11,701	12,248	12,828	13,541
% Ch	6.4%	5.4%	4.7%	5.1%	6.5%	5.7%	5.3%	5.2%	6.3%	4.7%	4.7%	5.6%
2000 Chain-Weighted	10,825	11,184	11,509	11,874	10,828	11,245	11,677	12,094	10,815	11,101	11,364	11,689
% Ch	4.3%	3.3%	2.9%	3.2%	4.3%	3.9%	3.8%	3.6%	4.2%	2.6%	2.4%	2.9%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	37,518	39,361	41,494	43,761	37,504	39,155	40,886	42,669	37,475	39,367	41,894	44,885
% Ch	6.0%	4.9%	5.4%	5.5%	6.0%	4.4%	4.4%	4.4%	5.9%	5.0%	6.4%	7.1%
U.S. (Billions)	9,647	10,115	10,635	11,211	9,648	10,130	10,684	11,261	9,637	10,066	10,610	11,274
% Ch	5.3%	4.8%	5.1%	5.4%	5.3%	5.0%	5.5%	5.4%	5.2%	4.4%	5.4%	6.3%
PERSONAL INCOME - 2000 \$												
Idaho (Millions)	34,787	35,848	37,153	38,421	34,779	35,784	36,888	37,863	34,742	35,664	37,058	38,649
% Ch	3.7%	3.0%	3.6%	3.4%	3.7%	2.9%	3.1%	2.6%	3.6%	2.7%	3.9%	4.3%
U.S. (Billions)	8,945	9,212	9,522	9,843	8,947	9,258	9,639	9,993	8,934	9,119	9,385	9,708
% Ch	3.0%	3.0%	3.4%	3.4%	3.0%	3.5%	4.1%	3.7%	2.9%	2.1%	2.9%	3.4%
TOTAL NONFARM EMPLOYMENT												
Idaho	585,972	595,856	606,734	618,202	585,950	596,067	607,533	618,394	585,699	594,348	603,987	616,321
% Ch	2.4%	1.7%	1.8%	1.9%	2.3%	1.7%	1.9%	1.8%	2.3%	1.5%	1.6%	2.0%
U.S. (Thousands)	131,242	133,416	134,856	136,097	131,249	133,652	135,755	137,412	131,039	132,450	133,030	133,971
% Ch	1.0%	1.7%	1.1%	0.9%	1.0%	1.8%	1.6%	1.2%	0.8%	1.1%	0.4%	0.7%
GOODS-PRODUCING SECTOR												
Idaho	104,414	103,818	102,734	101,893	104,425	104,310	104,533	104,170	104,340	103,276	101,172	100,070
% Ch	2.0%	-0.6%	-1.0%	-0.8%	2.0%	-0.1%	0.2%	-0.3%	1.9%	-1.0%	-2.0%	-1.1%
U.S. (Thousands)	21,898	22,270	22,371	22,349	21,898	22,362	22,739	22,806	21,860	22,098	21,953	21,759
% Ch	0.4%	1.7%	0.5%	-0.1%	0.4%	2.1%	1.7%	0.3%	0.2%	1.1%	-0.7%	-0.9%
NONGOODS-PRODUCING SECTOR												
Idaho	481,558	492,038	504,000	516,308	481,524	491,757	503,000	514,224	481,360	491,071	502,816	516,251
% Ch	2.4%	2.2%	2.4%	2.4%	2.4%	2.1%	2.3%	2.2%	2.4%	2.0%	2.4%	2.7%
U.S. (Thousands)	109,345	111,147	112,486	113,748	109,350	111,290	113,016	114,606	109,179	110,352	111,077	112,211
% Ch	1.1%	1.6%	1.2%	1.1%	1.1%	1.8%	1.6%	1.4%	1.0%	1.1%	0.7%	1.0%
SELECTED INTEREST RATES												
Federal Funds	1.3%	2.8%	3.5%	3.5%	1.3%	2.7%	3.0%	3.0%	1.3%	3.7%	5.9%	6.8%
Bank Prime	4.3%	5.8%	6.5%	6.5%	4.3%	5.7%	6.0%	6.0%	4.3%	6.7%	8.9%	9.8%
Existing Home Mortgage	5.7%	6.5%	6.7%	6.8%	5.7%	6.4%	6.1%	6.1%	5.7%	6.7%	8.0%	8.7%
INFLATION												
GDP Price Deflator	2.1%	1.9%	1.7%	1.9%	2.1%	1.7%	1.4%	1.6%	2.1%	1.9%	2.3%	2.6%
Personal Cons Deflator	2.2%	1.8%	1.7%	2.0%	2.1%	1.7%	1.4%	1.6%	2.2%	2.3%	2.4%	2.7%
Consumer Price Index	2.6%	1.9%	1.5%	1.7%	2.6%	1.5%	1.0%	1.4%	2.6%	2.4%	2.3%	2.6%

Forecast Begins the SECOND Quarter of 2004

productivity dampens unit labor cost, which lowers Idaho wage growth. The lower wage growth has a cascading effect on several components of Idaho personal income. As a result, Idaho nominal personal income is lower than its baseline counterpart. Interestingly, even after adjusting for inflation, Idaho personal income is still lower in this *Scenario* than in the *Baseline Scenario*.

PESSIMISTIC SCENARIO

The *Pessimistic Scenario* has been assigned 20% probability of occurrence. A significant feature of the *Pessimistic Scenario* is the re-emergence of inflation. The pickup of inflation reflects higher oil prices, a weaker dollar, and two-and-one half years of accommodative monetary policy, and loose fiscal policy. In addition, higher prices are fueled by the ability of businesses to pass more of their costs to their customers. Two other factors cause prices to rise faster than in the baseline. There may actually be less spare manufacturing capacity than is currently believed. This is because rapid technological advances may have rendered obsolete much of the idle capacity the Federal Reserve has been including in its estimates of capacity. Global growth is hampered by the anti-growth regulatory and social policies in Europe.

The economy does not sink into a recession in this scenario, but merely fails to come as close to its potential. Real GDP is one-half percentage point lower in 2005 and 2006 than its baseline counterparts. As mentioned, inflation is higher, despite the weaker aggregate economy. Nonfarm employment grows slower than in the baseline. The combination of sluggish growth and high inflation raises fears of stagflation. The Federal Reserve attacks inflation with earnest, causing its federal funds rate to climb quickly to 6.75%. After 2006, the economy starts to catch up, but the composition is different from the baseline. Production shifts from satisfying domestic demand to serving foreign demand.

In this *Scenario*, the outlook for Idaho employment is weaker than in the *Baseline Scenario*, but the personal income forecast is stronger. Specifically, Idaho nonfarm employment advances 2.3% in 2004, 1.5% in 2005, 1.6% in 2006, and 2.0% in 2007. In this *Scenario*, Idaho goods-producing employment shrinks annually after 2004. This being the case, the nongoods-producing sector is the engine for job growth. Both Idaho nominal and real personal income increase faster than their baseline counterparts after this year. Nominal income increases by 5.0% in 2005, 6.4% in 2006, and 7.1% in 2007. In the *Baseline Scenario*, Idaho nominal income never grows faster than 6.0%. As a result, Idaho nominal personal income is over \$1 billion higher in 2007 in the *Pessimistic Scenario*. Adjusting for inflation narrows the growth gap between pessimistic and baseline Idaho personal income, but does not erase it.

Two Measures of Employment: How Different Are They?

Tao Wu

Since the end of the 2001 recession, the U.S. economy has performed pretty well in terms of output growth, averaging about 3-1/4 percent a year. But how well has the economy performed in terms of creating jobs? To answer that question, most analysts look at two independent monthly estimates of employment published by the Bureau of Labor Statistics (BLS). And the problem is that each sends a different signal about recent labor market conditions. As Figure 1 shows, the so-called payroll survey has been reporting a substantial loss in employment and a slow recovery of labor market conditions, while the so-called household survey indicates much less of a loss and a much faster recovery.

How do these two employment measures differ? Which is a more accurate measure of aggregate employment? This *Economic Letter* examines the historical and recent behavior of these two employment measures to answer these questions.

Two employment surveys

The payroll survey estimates the nation's employment based on responses from a sample of about 400,000 business establishments, which account for about one-third of total nonfarm payroll employment. With a lag of about one year, the BLS revises the payroll estimate to an almost-complete count of U.S. payroll employment; this results in what is known as the "benchmark revision."

The household survey, in contrast, estimates the nation's employment based on responses from interviews with approximately 60,000 households; the BLS then inflates the survey data by the most recent estimates of the population. Unlike the payroll survey, the raw household survey data are not revised, but the population estimates used to inflate them are occasionally updated to incorporate new information from censuses and new estimates of immigration.

Beyond these differences, the two employment measures also differ in concept. First, the payroll survey counts the number of jobs, while the household survey counts the number of employed individuals. Therefore, a person with multiple jobs will be counted several times in the payroll survey but only once in the household survey. Second, their scopes are different; while the payroll survey covers only wage and salary workers on nonfarm payrolls, the household survey covers those individuals as well as agricultural workers, the self-employed, workers in private households, unpaid



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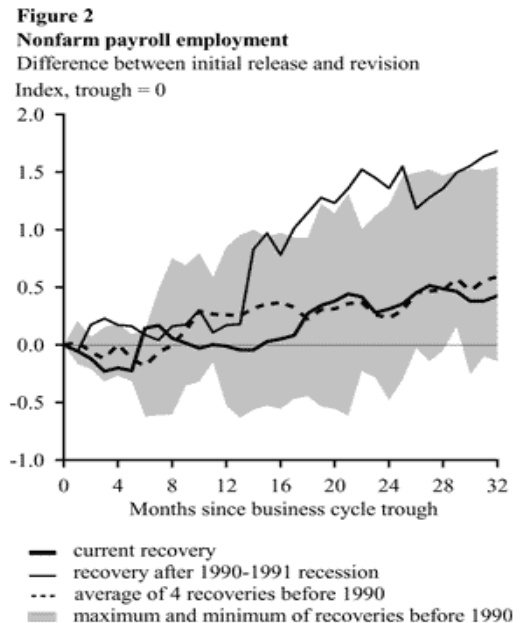
family workers, and workers on unpaid leaves. Finally, payroll employment includes wage and salary workers under the age of 16, while the household survey does not.

How much do they differ?

Given these significant differences between the two measures, it is not surprising that they produce different estimates for a given month or quarter. Over the long term, however, they should indicate similar paths for employment growth, as their various components should move together with aggregate employment in the long run.

Why, then, have they remained divergent over the last few years? Some have argued that the discrepancy may reflect a tendency for the initial payroll measure to underestimate the number of jobs in the economy, especially in the early stages of economic upturns; for example, Hilsenrath (2003) noted that since the survey covers a fixed set of business establishments, it may miss jobs being created by startup companies. Indeed, the benchmark revision after the 1991 recession did show substantially more jobs in the early months of the recovery. So it is possible that the payroll measure will be revised up to come closer to the measure of the household survey.

This explanation, however, is not, on its face, completely convincing. Figure 2 plots the difference between the initial releases and the revisions for the current recovery (solid thick line), the recovery after the 1990-1991 recession (solid thin line), and the average of the four recoveries before 1990 (dashed line); the shaded area gives the range of all revisions for the four recoveries before 1990, so the top of it is the maximum revision and the bottom is the minimum revision. The difference is indexed, so positive values mean that the revision was higher than the initial release, and negative values mean the revision was lower than the initial release. Clearly, the initial releases of payroll survey do not always underestimate employment in the early phases of the recovery. Although on average the revised level of payroll employment exceeded the initial released level, in some cases the revisions were lower than the initial releases, notably during the recoveries from the 1975 and 1980 recessions. Therefore, the widely cited large upward revision to the payroll data after the 1990-1991 recession might have been a special case.



Moreover, in 1998 the BLS began phasing in a major redesign of the survey aimed at improving the accuracy of the initial releases of payroll employment and reducing the large and systematic benchmark revisions. Therefore, the errors arising from missing job growth in new firms may be much smaller than they were in the recovery following the 1990-1991 recession. As shown by the dotted line in Figure 2, the size of revisions during the current recovery is indeed much smaller than the one after the 1990-1991 recession and is very close to the historical average level during the recoveries following the four recessions before 1990.

A closer look at the household and payroll employment series also suggests that, after adjusting for definitional differences between the two measures, the discrepancy between them decreases substantially. Take September 2003 as an example, when the discrepancy in Figure 1 was the largest.

Over the preceding 12 months, the published nonfarm payroll employment fell by 427,000 while the published household employment increased by 261,000. Therefore there is a difference of 688,000 jobs in terms of 12-month employment growth. However, a closer look indicates that the difference mainly comes from two sources: the population updates which led to an increase of 543,000 jobs in the change of household employment, and an increase of 310,000 self-employed jobs. In other words, after excluding the population update and the self-employed from the household survey results, it would show a decline of 592,000 jobs, also indicating a substantial job loss over the preceding 12 months. More thorough studies (for instance, BLS 2004) confirm this "back of the envelope" estimate, finding that, when the household survey is adjusted to match the payroll survey definition more closely, the movements of the two series in the past couple of years do tend to converge.

Which measure is more reliable?

The reconciliation above shows that both employment measures suggested continued weakness in the labor market last year. However, their implications may differ in the long run, and which measure is more appropriate in assessing the labor market remains a judgment call. On the one hand, the household survey has drawbacks that may induce larger biases than the payroll survey. For instance, in the household survey there are a large number of "proxy responses" by household members who may have incomplete information on the employment status of other family members. Moreover, the sample size of household survey is substantially smaller than that of the payroll survey; the larger sample size in the payroll survey will undoubtedly help generate more precise estimates of employment.

On the other hand, the payroll survey has the drawback of missing job growth that is occurring at very young companies, including self-employment, even after the redesign. However, some researchers have pointed out that this drawback may not be so serious. Rissman (2003) treats self-employment as a low-paying alternative to wage work. In particular, workers are assumed to be either employed in wage work, unemployed, or self-employed and looking for wage work. During economic downturns, the likelihood of being laid off rises and the prospect of finding a job offer diminishes, making self-employment relatively more attractive; when the job market becomes more favorable, self-employment becomes less attractive and the number of self-employed persons declines. Therefore, self-employment should be countercyclical. Aaronson et al. (2004) analyze the variations of unemployment and self employment at the state level since 2001 and find that self-employment indeed was countercyclical in the most recent recession: it rose during weak economic times and declined as the wage and salary sector improved. Therefore, increases in self-employment in the early stages of an economic recovery reported in the household survey may indicate a weak rather than an improving labor market, suggesting that the household survey may send a false signal of employment strength.

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IDAHO ECONOMIC FORECAST

OCTOBER 2004

FORECAST DETAIL

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Reporting Conventions

Units of measurement are presented in the individual reports.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data are provided by Global Insight and the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data are obtained from the Department of Commerce and Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Commerce and Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2004**

DEMOGRAPHICS

	1991	1992	1993	1994	1995	1996	1997	1998	1999
POPULATION									
Idaho (Thousands)	1,041.2	1,072.1	1,108.6	1,144.9	1,177.0	1,203.2	1,228.4	1,252.3	1,275.7
% Ch	2.8%	3.0%	3.4%	3.3%	2.8%	2.2%	2.1%	1.9%	1.9%
National (Millions)	253.946	257.357	260.688	263.853	266.980	270.115	273.368	276.553	279.731
% Ch	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%
BIRTHS									
Idaho (Thousands)	16.741	17.197	17.575	17.690	17.915	18.482	18.599	19.188	19.897
% Ch	1.9%	2.7%	2.2%	0.7%	1.3%	3.2%	0.6%	3.2%	3.7%
National (Thousands)	4,110	4,038	3,997	3,964	3,935	3,911	3,892	3,880	3,874
% Ch	-1.2%	-1.8%	-1.0%	-0.8%	-0.7%	-0.6%	-0.5%	-0.3%	-0.2%
DEATHS									
Idaho (Thousands)	7.644	7.887	8.277	8.478	8.553	8.679	8.953	9.105	9.488
% Ch	3.9%	3.2%	4.9%	2.4%	0.9%	1.5%	3.2%	1.7%	4.2%
National (Thousands)	2,163	2,210	2,237	2,264	2,291	2,318	2,345	2,372	2,399
% Ch	0.0%	2.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%
NET MIGRATION									
Idaho (Thousands)	19.017	21.659	27.168	27.115	22.652	16.417	15.583	13.836	12.975
HOUSING									
HOUSING STARTS									
Idaho	6,600	9,584	11,457	12,766	9,360	9,220	8,862	10,110	10,338
% Ch	13.2%	45.2%	19.5%	11.4%	-26.7%	-1.5%	-3.9%	14.1%	2.3%
National (Millions)	1.009	1.201	1.292	1.446	1.361	1.469	1.475	1.621	1.647
% Ch	-16.2%	19.1%	7.5%	12.0%	-5.9%	7.9%	0.4%	9.9%	1.6%
SINGLE UNITS									
Idaho	5,662	7,900	8,939	9,420	7,280	7,849	7,658	9,040	9,189
% Ch	18.3%	39.5%	13.1%	5.4%	-22.7%	7.8%	-2.4%	18.1%	1.6%
National (Millions)	0.835	1.032	1.131	1.191	1.082	1.154	1.136	1.278	1.306
% Ch	-7.3%	23.6%	9.6%	5.4%	-9.2%	6.7%	-1.6%	12.4%	2.2%
MULTIPLE UNITS									
Idaho	938	1,684	2,518	3,346	2,080	1,371	1,205	1,070	1,149
% Ch	-10.3%	79.6%	49.5%	32.9%	-37.8%	-34.1%	-12.1%	-11.2%	7.4%
National (Millions)	0.174	0.170	0.161	0.255	0.279	0.314	0.338	0.344	0.341
% Ch	-42.6%	-2.4%	-5.1%	58.3%	9.4%	12.7%	7.6%	1.6%	-0.7%
HOUSING STOCK									
Idaho (Thousands)	339.8	347.4	356.9	368.7	377.8	386.2	393.7	402.3	411.3
% Ch	1.5%	2.2%	2.7%	3.3%	2.4%	2.2%	1.9%	2.2%	2.2%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2004**

DEMOGRAPHICS

	2000	2001	2002	2003	2004	2005	2006	2007
POPULATION								
Idaho (Thousands)	1,299.1	1,320.7	1,342.0	1,364.9	1,385.2	1,405.4	1,425.8	1,446.7
% Ch	1.8%	1.7%	1.6%	1.7%	1.5%	1.5%	1.5%	1.5%
National (Millions)	282.795	285.721	288.599	291.388	294.098	296.793	299.478	302.146
% Ch	1.1%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%
BIRTHS								
Idaho (Thousands)	20.304	20.684	20.988	21.399	21.693	21.982	22.279	22.595
% Ch	2.0%	1.9%	1.5%	2.0%	1.4%	1.3%	1.4%	1.4%
National (Thousands)	3,872	3,876	3,885	3,901	3,925	3,955	3,991	4,033
% Ch	-0.1%	0.1%	0.2%	0.4%	0.6%	0.8%	0.9%	1.0%
DEATHS								
Idaho (Thousands)	9.538	9.811	9.935	10.129	10.283	10.435	10.590	10.747
% Ch	0.5%	2.9%	1.3%	2.0%	1.5%	1.5%	1.5%	1.5%
National (Thousands)	2,424	2,446	2,467	2,487	2,507	2,528	2,548	2,569
% Ch	1.0%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%
NET MIGRATION								
Idaho (Thousands)	12.658	10.645	10.261	11.638	8.924	8.630	8.724	9.066
HOUSING								
HOUSING STARTS								
Idaho	11,519	12,239	13,158	16,329	16,718	15,364	15,141	14,372
% Ch	11.4%	6.2%	7.5%	24.1%	2.4%	-8.1%	-1.5%	-5.1%
National (Millions)	1.573	1.601	1.710	1.853	1.932	1.790	1.666	1.655
% Ch	-4.5%	1.8%	6.8%	8.3%	4.3%	-7.3%	-6.9%	-0.7%
SINGLE UNITS								
Idaho	10,372	10,425	11,144	13,872	14,494	13,538	13,529	12,923
% Ch	12.9%	0.5%	6.9%	24.5%	4.5%	-6.6%	-0.1%	-4.5%
National (Millions)	1.232	1.272	1.363	1.505	1.598	1.518	1.403	1.367
% Ch	-5.7%	3.2%	7.2%	10.4%	6.2%	-5.0%	-7.6%	-2.6%
MULTIPLE UNITS								
Idaho	1,147	1,814	2,015	2,457	2,224	1,826	1,612	1,449
% Ch	-0.1%	58.1%	11.1%	21.9%	-9.5%	-17.9%	-11.7%	-10.1%
National (Millions)	0.341	0.330	0.347	0.348	0.333	0.272	0.263	0.288
% Ch	0.1%	-3.5%	5.3%	0.3%	-4.2%	-18.5%	-3.2%	9.4%
HOUSING STOCK								
Idaho (Thousands)	421.2	432.1	442.9	456.9	472.4	486.8	500.5	513.7
% Ch	2.4%	2.6%	2.5%	3.2%	3.4%	3.1%	2.8%	2.6%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2004**

OUTPUT, INCOME, & WAGES

	1991	1992	1993	1994	1995	1996	1997	1998	1999
GROSS DOM. PRODUCT (Billions)									
Current Dollars	5,996	6,338	6,657	7,072	7,398	7,817	8,304	8,747	9,268
% Ch	3.3%	5.7%	5.0%	6.2%	4.6%	5.7%	6.2%	5.3%	6.0%
2000 Chain-Weighted	7,101	7,337	7,533	7,835	8,032	8,329	8,704	9,067	9,470
% Ch	-0.2%	3.3%	2.7%	4.0%	2.5%	3.7%	4.5%	4.2%	4.4%
PERSONAL INCOME - CURR \$									
Idaho (Millions)	16,692	18,318	20,072	21,422	22,871	24,360	25,367	27,287	29,068
% Ch	4.9%	9.7%	9.6%	6.7%	6.8%	6.5%	4.1%	7.6%	6.5%
Idaho Nonfarm (Millions)	15,902	17,488	19,023	20,699	22,073	23,448	24,628	26,371	28,075
% Ch	6.3%	10.0%	8.8%	8.8%	6.6%	6.2%	5.0%	7.1%	6.5%
National (Billions)	5,051	5,362	5,559	5,843	6,152	6,521	6,915	7,423	7,802
% Ch	3.5%	6.2%	3.7%	5.1%	5.3%	6.0%	6.1%	7.3%	5.1%
PERSONAL INCOME - 2000 \$									
Idaho (Millions)	20,009	21,342	22,858	23,892	24,973	26,040	26,666	28,429	29,788
% Ch	1.2%	6.7%	7.1%	4.5%	4.5%	4.3%	2.4%	6.6%	4.8%
Idaho Nonfarm (Millions)	19,061	20,374	21,664	23,084	24,102	25,064	25,890	27,475	28,770
% Ch	2.6%	6.9%	6.3%	6.6%	4.4%	4.0%	3.3%	6.1%	4.7%
National (Billions)	6,055	6,247	6,330	6,516	6,718	6,970	7,269	7,734	7,996
% Ch	-0.1%	3.2%	1.3%	2.9%	3.1%	3.8%	4.3%	6.4%	3.4%
PER CAPITA PERS INC - CURR \$									
Idaho	16,031	17,084	18,103	18,708	19,431	20,246	20,649	21,788	22,784
% Ch	2.0%	6.6%	6.0%	3.3%	3.9%	4.2%	2.0%	5.5%	4.6%
National	19,889	20,834	21,322	22,142	23,043	24,139	25,295	26,840	27,891
% Ch	2.2%	4.7%	2.3%	3.8%	4.1%	4.8%	4.8%	6.1%	3.9%
PER CAPITA PERS INC - 2000 \$									
Idaho	19,217	19,905	20,617	20,866	21,218	21,642	21,707	22,700	23,349
% Ch	-1.6%	3.6%	3.6%	1.2%	1.7%	2.0%	0.3%	4.6%	2.9%
National	23,842	24,274	24,282	24,695	25,163	25,803	26,591	27,964	28,584
% Ch	-1.4%	1.8%	0.0%	1.7%	1.9%	2.5%	3.1%	5.2%	2.2%
AVERAGE ANNUAL WAGE									
Idaho	20,748	21,613	22,051	22,728	23,594	24,147	24,803	25,822	26,992
% Ch	#DIV/0!	4.2%	2.0%	3.1%	3.8%	2.3%	2.7%	4.1%	4.5%
National	26,047	27,410	27,807	28,279	29,148	30,237	31,582	33,219	34,622
% Ch	3.6%	5.2%	1.4%	1.7%	3.1%	3.7%	4.5%	5.2%	4.2%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
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OUTPUT, INCOME, & WAGES

	2000	2001	2002	2003	2004	2005	2006	2007
GROSS DOM. PRODUCT (Billions)								
Current Dollars	9,817	10,128	10,487	11,004	11,713	12,341	12,917	13,579
% Ch	5.9%	3.2%	3.5%	4.9%	6.4%	5.4%	4.7%	5.1%
2000 Chain-Weighted	9,817	9,891	10,075	10,381	10,825	11,184	11,509	11,874
% Ch	3.7%	0.8%	1.9%	3.0%	4.3%	3.3%	2.9%	3.2%
 PERSONAL INCOME - CURR \$								
Idaho (Millions)	31,290	32,963	34,217	35,384	37,518	39,361	41,494	43,761
% Ch	7.6%	5.3%	3.8%	3.4%	6.0%	4.9%	5.4%	5.5%
Idaho Nonfarm (Millions)	30,474	31,968	33,130	34,325	36,460	38,232	40,286	42,555
% Ch	8.5%	4.9%	3.6%	3.6%	6.2%	4.9%	5.4%	5.6%
National (Billions)	8,430	8,724	8,879	9,162	9,647	10,115	10,635	11,211
% Ch	8.0%	3.5%	1.8%	3.2%	5.3%	4.8%	5.1%	5.4%
 PERSONAL INCOME - 2000 \$								
Idaho (Millions)	31,289	32,286	33,043	33,534	34,787	35,848	37,153	38,421
% Ch	5.0%	3.2%	2.3%	1.5%	3.7%	3.0%	3.6%	3.4%
Idaho Nonfarm (Millions)	30,473	31,311	31,994	32,531	33,807	34,820	36,071	37,363
% Ch	5.9%	2.8%	2.2%	1.7%	3.9%	3.0%	3.6%	3.6%
National (Billions)	8,429	8,545	8,575	8,683	8,945	9,212	9,522	9,843
% Ch	5.4%	1.4%	0.3%	1.3%	3.0%	3.0%	3.4%	3.4%
 PER CAPITA PERS INC - CURR \$								
Idaho	24,084	24,959	25,497	25,923	27,083	28,006	29,101	30,247
% Ch	5.7%	3.6%	2.2%	1.7%	4.5%	3.4%	3.9%	3.9%
National	29,807	30,534	30,765	31,441	32,802	34,080	35,509	37,105
% Ch	6.9%	2.4%	0.8%	2.2%	4.3%	3.9%	4.2%	4.5%
 PER CAPITA PERS INC - 2000 \$								
Idaho	24,084	24,447	24,623	24,568	25,113	25,507	26,057	26,557
% Ch	3.1%	1.5%	0.7%	-0.2%	2.2%	1.6%	2.2%	1.9%
National	29,807	29,908	29,712	29,798	30,416	31,039	31,795	32,577
% Ch	4.3%	0.3%	-0.7%	0.3%	2.1%	2.0%	2.4%	2.5%
 AVERAGE ANNUAL WAGE								
Idaho	28,657	28,749	29,181	29,655	30,510	31,528	32,715	33,816
% Ch	6.2%	0.3%	1.5%	1.6%	2.9%	3.3%	3.8%	3.4%
National	36,642	37,492	38,178	39,277	40,636	42,072	43,707	45,538
% Ch	5.8%	2.3%	1.8%	2.9%	3.5%	3.5%	3.9%	4.2%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
OCTOBER 2004**

PERSONAL INCOME--CURRENT \$\$

	1991	1992	1993	1994	1995	1996	1997	1998	1999
WAGE AND SALARY PAYMENTS									
Idaho (Millions)	8,525	9,295	9,979	10,896	11,701	12,284	13,078	13,936	15,024
% Ch	7.0%	9.0%	7.4%	9.2%	7.4%	5.0%	6.5%	6.6%	7.8%
National (Billions)	2,823	2,980	3,083	3,232	3,419	3,620	3,878	4,183	4,466
% Ch	2.5%	5.6%	3.4%	4.8%	5.8%	5.9%	7.1%	7.9%	6.8%
FARM PROPRIETORS INCOME									
Idaho (Millions)	603	642	836	453	515	643	425	607	690
% Ch	-21.9%	6.5%	30.2%	-45.8%	13.6%	25.0%	-33.9%	42.8%	13.7%
National (Billions)	27	35	31	34	23	37	34	29	29
% Ch	-16.1%	29.1%	-9.6%	8.8%	-33.2%	64.6%	-8.3%	-14.1%	-2.7%
NONFARM PROPRIETORS INCOME									
Idaho (Millions)	1,458	1,769	2,087	2,312	2,229	2,324	2,313	2,480	2,765
% Ch	-4.4%	21.3%	18.0%	10.8%	-3.6%	4.2%	-0.5%	7.2%	11.5%
National (Billions)	350	393	423	439	469	506	542	598	650
% Ch	0.5%	12.2%	7.5%	4.0%	6.8%	7.8%	7.1%	10.4%	8.6%
DIVIDENDS, RENT & INTEREST									
Idaho (Millions)	3,210	3,340	3,568	3,957	4,350	4,718	5,068	5,545	5,546
% Ch	4.6%	4.1%	6.8%	10.9%	9.9%	8.5%	7.4%	9.4%	0.0%
National (Billions)	992	989	997	1,070	1,139	1,221	1,310	1,421	1,412
% Ch	1.8%	-0.3%	0.9%	7.3%	6.4%	7.2%	7.3%	8.4%	-0.6%
OTHER LABOR INCOME									
Idaho (Millions)	2,011	2,235	2,516	2,729	2,846	2,881	2,929	3,063	3,243
% Ch	10.0%	11.2%	12.6%	8.5%	4.3%	1.2%	1.7%	4.6%	5.9%
National (Billions)	407	442	472	493	494	492	498	530	562
% Ch	7.8%	8.7%	6.8%	4.4%	0.1%	-0.2%	1.0%	6.5%	6.2%
GOVT. TRANSFERS TO INDIV.									
Idaho (Millions)	2,194	2,460	2,645	2,789	3,023	3,319	3,408	3,557	3,776
% Ch	11.5%	12.1%	7.5%	5.5%	8.4%	9.8%	2.7%	4.4%	6.1%
National (Billions)	666	749	790	827	877	925	951	979	1,022
% Ch	12.0%	12.4%	5.4%	4.7%	6.1%	5.4%	2.8%	2.9%	4.4%
CONTRIB. FOR SOCIAL INSUR.									
Idaho (Millions)	1,482	1,613	1,767	1,951	2,074	2,134	2,223	2,337	2,480
% Ch	9.2%	8.8%	9.5%	10.5%	6.3%	2.9%	4.2%	5.1%	6.1%
National (Billions)	215	228	240	254	264	275	290	307	323
% Ch	4.2%	6.2%	5.0%	6.0%	3.9%	4.1%	5.3%	6.0%	5.3%
RESIDENCE ADJUSTMENT									
Idaho (Millions)	174	192	210	238	281	326	369	437	504
% Ch	14.6%	9.9%	9.5%	13.3%	18.3%	15.9%	13.2%	18.3%	15.4%

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**IDAHO ECONOMIC FORECAST
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PERSONAL INCOME--CURRENT \$\$

	2000	2001	2002	2003	2004	2005	2006	2007
WAGE AND SALARY PAYMENTS								
Idaho (Millions)	16,552	16,893	17,177	17,628	18,543	19,443	20,512	21,580
% Ch	10.2%	2.1%	1.7%	2.6%	5.2%	4.9%	5.5%	5.2%
National (Billions)	4,829	4,943	4,976	5,104	5,333	5,613	5,894	6,198
% Ch	8.1%	2.4%	0.7%	2.6%	4.5%	5.2%	5.0%	5.1%
FARM PROPRIETORS INCOME								
Idaho (Millions)	471	644	716	657	656	740	821	817
% Ch	-31.8%	36.9%	11.1%	-8.3%	-0.1%	12.8%	11.0%	-0.6%
National (Billions)	23	20	10	22	17	16	19	21
% Ch	-20.7%	-13.2%	-51.0%	126.1%	-23.7%	-6.5%	21.6%	8.3%
NONFARM PROPRIETORS INCOME								
Idaho (Millions)	2,883	3,271	3,457	3,660	3,997	4,284	4,516	4,791
% Ch	4.3%	13.5%	5.7%	5.9%	9.2%	7.2%	5.4%	6.1%
National (Billions)	706	752	760	812	886	951	1,000	1,059
% Ch	8.6%	6.6%	1.0%	6.9%	9.1%	7.3%	5.2%	5.9%
DIVIDENDS, RENT & INTEREST								
Idaho (Millions)	5,909	6,174	6,302	6,327	6,733	6,867	7,116	7,547
% Ch	6.5%	4.5%	2.1%	0.4%	6.4%	2.0%	3.6%	6.1%
National (Billions)	1,537	1,547	1,506	1,477	1,554	1,582	1,637	1,734
% Ch	8.9%	0.7%	-2.7%	-1.9%	5.2%	1.8%	3.5%	5.9%
OTHER LABOR INCOME								
Idaho (Millions)	3,549	3,644	3,875	4,089	4,469	4,791	5,026	5,246
% Ch	9.4%	2.7%	6.3%	5.5%	9.3%	7.2%	4.9%	4.4%
National (Billions)	610	643	730	809	880	937	981	1,020
% Ch	8.5%	5.4%	13.5%	10.9%	8.8%	6.4%	4.7%	4.0%
GOVT. TRANSFERS TO INDIV.								
Idaho (Millions)	4,079	4,543	4,974	5,384	5,656	5,933	6,454	6,909
% Ch	8.0%	11.4%	9.5%	8.2%	5.1%	4.9%	8.8%	7.1%
National (Billions)	1,084	1,194	1,283	1,335	1,396	1,458	1,578	1,680
% Ch	6.1%	10.1%	7.4%	4.1%	4.6%	4.5%	8.2%	6.5%
CONTRIB. FOR SOCIAL INSUR.								
Idaho (Millions)	2,676	2,739	2,814	2,905	3,089	3,265	3,542	3,740
% Ch	7.9%	2.4%	2.7%	3.3%	6.3%	5.7%	8.5%	5.6%
National (Billions)	344	357	364	377	398	420	451	474
% Ch	6.2%	3.8%	2.0%	3.6%	5.8%	5.4%	7.4%	5.1%
RESIDENCE ADJUSTMENT								
Idaho (Millions)	525	532	531	545	552	569	592	612
% Ch	4.1%	1.4%	-0.2%	2.5%	1.4%	3.1%	3.9%	3.5%

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EMPLOYMENT

	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL NONFARM EMPLOYMENT									
Idaho	394,129	413,478	434,503	460,211	477,047	490,900	507,423	520,477	538,100
% Ch	N/C	4.9%	5.1%	5.9%	3.7%	2.9%	3.4%	2.6%	3.4%
National (Thousands)	108,384	108,723	110,847	114,282	117,306	119,699	122,767	125,924	128,992
% Ch	-1.0%	0.3%	2.0%	3.1%	2.6%	2.0%	2.6%	2.6%	2.4%
GOODS PRODUCING SECTOR									
Idaho	80,857	85,008	90,363	97,411	98,310	102,401	105,505	106,974	108,724
% Ch	N/C	5.1%	6.3%	7.8%	0.9%	4.2%	3.0%	1.4%	1.6%
National (Thousands)	22,591	22,094	22,221	22,777	23,161	23,412	23,884	24,352	24,467
% Ch	-4.8%	-2.2%	0.6%	2.5%	1.7%	1.1%	2.0%	2.0%	0.5%
MANUFACTURING									
Idaho	57,408	59,920	63,131	65,717	65,639	68,312	70,185	71,530	71,217
% Ch	N/C	4.4%	5.4%	4.1%	-0.1%	4.1%	2.7%	1.9%	-0.4%
National (Thousands)	17,146	16,879	16,857	17,106	17,327	17,317	17,500	17,640	17,404
% Ch	-3.6%	-1.6%	-0.1%	1.5%	1.3%	-0.1%	1.1%	0.8%	-1.3%
DURABLE MANUFACTURING									
Idaho	30,153	32,118	34,785	37,821	39,958	42,447	44,215	45,894	45,702
% Ch	N/C	6.5%	8.3%	8.7%	5.7%	6.2%	4.2%	3.8%	-0.4%
National (Thousands)	10,298	10,025	9,983	10,214	10,456	10,565	10,785	10,990	10,912
% Ch	-4.8%	-2.6%	-0.4%	2.3%	2.4%	1.0%	2.1%	1.9%	-0.7%
LOGGING & WOOD PRODUCTS									
Idaho	9,760	10,460	10,795	11,773	11,864	12,023	11,898	11,465	11,482
% Ch	N/C	7.2%	3.2%	9.1%	0.8%	1.3%	-1.0%	-3.6%	0.1%
National (Thousands)	577	580	605	643	656	663	677	689	701
% Ch	-7.7%	0.6%	4.3%	6.2%	2.0%	1.1%	2.1%	1.7%	1.8%
METAL FABRICATION									
Idaho	2,460	2,436	2,577	2,958	3,410	3,582	3,793	3,826	3,942
% Ch	N/C	-1.0%	5.8%	14.8%	15.3%	5.0%	5.9%	0.9%	3.0%
National (Thousands)	1,542	1,497	1,510	1,566	1,624	1,648	1,696	1,739	1,728
% Ch	-4.3%	-2.9%	0.8%	3.7%	3.7%	1.5%	2.9%	2.6%	-0.6%
MACHINERY									
Idaho	2,287	2,352	2,613	2,901	3,078	3,189	3,065	3,178	3,039
% Ch	N/C	2.8%	11.1%	11.0%	6.1%	3.6%	-3.9%	3.7%	-4.4%
National (Thousands)	1,345	1,310	1,329	1,379	1,440	1,466	1,494	1,512	1,466
% Ch	-4.4%	-2.7%	1.5%	3.8%	4.4%	1.8%	1.9%	1.3%	-3.1%
COMPUTER & ELECTRONICS									
Idaho	10,696	11,744	13,169	13,646	14,325	16,280	17,727	19,054	18,408
% Ch	N/C	9.8%	12.1%	3.6%	5.0%	13.6%	8.9%	7.5%	-3.4%
National (Thousands)	1,809	1,707	1,656	1,651	1,688	1,747	1,803	1,831	1,781
% Ch	-4.9%	-5.6%	-3.0%	-0.3%	2.3%	3.4%	3.2%	1.5%	-2.7%
OTHER DURABLES									
Idaho	4,949	5,126	5,630	6,542	7,280	7,373	7,733	8,371	8,832
% Ch	N/C	3.6%	9.8%	16.2%	11.3%	1.3%	4.9%	8.3%	5.5%
National (Thousands)	5,025	4,931	4,883	4,975	5,047	5,041	5,115	5,218	5,235
% Ch	-4.8%	-1.9%	-1.0%	1.9%	1.4%	-0.1%	1.5%	2.0%	0.3%

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EMPLOYMENT

	2000	2001	2002	2003	2004	2005	2006	2007
TOTAL NONFARM EMPLOYMENT								
Idaho	558,577	568,014	568,004	572,503	585,972	595,856	606,734	618,202
% Ch	3.8%	1.7%	0.0%	0.8%	2.4%	1.7%	1.8%	1.9%
National (Thousands)	131,791	131,837	130,343	129,937	131,242	133,416	134,856	136,097
% Ch	2.2%	0.0%	-1.1%	-0.3%	1.0%	1.7%	1.1%	0.9%
GOODS PRODUCING SECTOR								
Idaho	111,884	110,217	105,013	102,370	104,414	103,818	102,734	101,893
% Ch	2.9%	-1.5%	-4.7%	-2.5%	2.0%	-0.6%	-1.0%	-0.8%
National (Thousands)	24,653	23,875	22,556	21,817	21,898	22,270	22,371	22,349
% Ch	0.8%	-3.2%	-5.5%	-3.3%	0.4%	1.7%	0.5%	-0.1%
MANUFACTURING								
Idaho	73,036	70,390	66,801	63,865	63,194	63,727	64,427	65,251
% Ch	2.6%	-3.6%	-5.1%	-4.4%	-1.1%	0.8%	1.1%	1.3%
National (Thousands)	17,345	16,515	15,327	14,592	14,465	14,629	14,735	14,704
% Ch	-0.3%	-4.8%	-7.2%	-4.8%	-0.9%	1.1%	0.7%	-0.2%
DURABLE MANUFACTURING								
Idaho	47,411	45,097	42,319	39,954	40,230	40,665	41,179	41,793
% Ch	3.7%	-4.9%	-6.2%	-5.6%	0.7%	1.1%	1.3%	1.5%
National (Thousands)	10,956	10,408	9,553	9,038	9,028	9,217	9,338	9,337
% Ch	0.4%	-5.0%	-8.2%	-5.4%	-0.1%	2.1%	1.3%	0.0%
LOGGING & WOOD PRODUCTS								
Idaho	11,571	9,851	9,558	9,056	9,351	9,206	8,780	8,488
% Ch	0.8%	-14.9%	-3.0%	-5.3%	3.3%	-1.5%	-4.6%	-3.3%
National (Thousands)	692	647	625	604	609	602	564	550
% Ch	-1.3%	-6.4%	-3.4%	-3.4%	0.8%	-1.1%	-6.3%	-2.6%
METAL FABRICATION								
Idaho	4,030	3,875	3,635	3,536	3,627	3,708	3,773	3,833
% Ch	2.2%	-3.8%	-6.2%	-2.7%	2.6%	2.2%	1.8%	1.6%
National (Thousands)	1,753	1,677	1,549	1,478	1,502	1,558	1,600	1,614
% Ch	1.5%	-4.4%	-7.6%	-4.5%	1.6%	3.7%	2.7%	0.9%
MACHINERY								
Idaho	3,305	3,055	2,831	2,632	2,556	2,651	2,768	2,814
% Ch	8.7%	-7.5%	-7.3%	-7.0%	-2.9%	3.7%	4.4%	1.7%
National (Thousands)	1,455	1,368	1,229	1,154	1,159	1,216	1,267	1,269
% Ch	-0.8%	-6.0%	-10.1%	-6.2%	0.5%	4.9%	4.2%	0.2%
COMPUTER & ELECTRONICS								
Idaho	19,454	19,652	17,926	16,292	16,357	16,730	17,325	18,018
% Ch	5.7%	1.0%	-8.8%	-9.1%	0.4%	2.3%	3.6%	4.0%
National (Thousands)	1,820	1,749	1,507	1,361	1,349	1,348	1,357	1,375
% Ch	2.2%	-3.9%	-13.8%	-9.7%	-0.9%	-0.1%	0.6%	1.4%
OTHER DURABLES								
Idaho	9,051	8,663	8,367	8,437	8,340	8,370	8,532	8,640
% Ch	2.5%	-4.3%	-3.4%	0.8%	-1.2%	0.4%	1.9%	1.3%
National (Thousands)	5,236	4,967	4,642	4,441	4,409	4,492	4,551	4,530
% Ch	0.0%	-5.1%	-6.5%	-4.3%	-0.7%	1.9%	1.3%	-0.5%

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MANUFACTURING (continued)									
	1991	1992	1993	1994	1995	1996	1997	1998	1999
NONDURABLE MANUFACTURING									
Idaho	27,256	27,802	28,346	27,896	25,682	25,865	25,970	25,636	25,514
% Ch	N/C	2.0%	2.0%	-1.6%	-7.9%	0.7%	0.4%	-1.3%	-0.5%
National (Thousands)	6,848	6,854	6,874	6,892	6,871	6,752	6,715	6,650	6,493
% Ch	-1.6%	0.1%	0.3%	0.3%	-0.3%	-1.7%	-0.6%	-1.0%	-2.4%
FOOD PROCESSING									
Idaho	17,197	17,445	17,856	17,369	16,827	17,119	17,263	16,830	16,705
% Ch	N/C	1.4%	2.4%	-2.7%	-3.1%	1.7%	0.8%	-2.5%	-0.7%
National (Thousands)	1,515	1,519	1,535	1,540	1,561	1,562	1,557	1,555	1,550
% Ch	0.5%	0.3%	1.1%	0.3%	1.3%	0.1%	-0.3%	-0.1%	-0.3%
PRINTING									
Idaho	2,226	2,211	2,231	2,240	2,308	2,365	2,326	2,307	2,234
% Ch	N/C	-0.7%	0.9%	0.4%	3.0%	2.5%	-1.6%	-0.8%	-3.2%
National (Thousands)	792	780	785	802	817	816	821	828	814
% Ch	-2.0%	-1.5%	0.6%	2.2%	1.9%	-0.2%	0.6%	0.8%	-1.6%
CHEMICALS									
Idaho	4,172	4,259	4,210	4,099	2,354	2,330	2,272	2,361	2,314
% Ch	N/C	2.1%	-1.1%	-2.6%	-42.6%	-1.0%	-2.5%	3.9%	-2.0%
National (Thousands)	1,024	1,029	1,025	1,005	988	985	987	993	983
% Ch	-1.1%	0.5%	-0.4%	-2.0%	-1.7%	-0.3%	0.2%	0.6%	-1.0%
OTHER NONDURABLES									
Idaho	3,661	3,886	4,049	4,187	4,193	4,051	4,108	4,138	4,262
% Ch	N/C	6.2%	4.2%	3.4%	0.1%	-3.4%	1.4%	0.7%	3.0%
National (Thousands)	3,517	3,526	3,529	3,545	3,505	3,390	3,350	3,274	3,145
% Ch	-2.5%	0.3%	0.1%	0.5%	-1.1%	-3.3%	-1.2%	-2.3%	-3.9%
MINING									
Idaho	3,098	2,581	2,164	2,367	2,683	2,977	2,996	2,817	2,485
% Ch	N/C	-16.7%	-16.1%	9.4%	13.3%	11.0%	0.7%	-6.0%	-11.8%
National (Thousands)	661	610	585	576	558	556	571	565	518
% Ch	-2.8%	-7.7%	-4.1%	-1.4%	-3.2%	-0.3%	2.7%	-1.1%	-8.4%
CONSTRUCTION									
Idaho	20,350	22,508	25,068	29,326	29,988	31,112	32,323	32,628	35,022
% Ch	N/C	10.6%	11.4%	17.0%	2.3%	3.7%	3.9%	0.9%	7.3%
National (Thousands)	4,784	4,605	4,779	5,094	5,276	5,538	5,813	6,147	6,545
% Ch	-9.2%	-3.7%	3.8%	6.6%	3.6%	5.0%	5.0%	5.8%	6.5%
NONGOODS PRODUCING									
Idaho	313,272	328,469	344,139	362,800	378,737	388,500	401,918	413,503	429,376
% Ch	N/C	4.9%	4.8%	5.4%	4.4%	2.6%	3.5%	2.9%	3.8%
National (Thousands)	85,793	86,629	88,626	91,505	94,145	96,287	98,883	101,571	104,525
% Ch	0.0%	1.0%	2.3%	3.2%	2.9%	2.3%	2.7%	2.7%	2.9%
SERVICES									
Idaho	155,410	163,210	173,523	185,545	196,054	202,107	210,033	217,463	227,553
% Ch	N/C	5.0%	6.3%	6.9%	5.7%	3.1%	3.9%	3.5%	4.6%
National (Thousands)	49,164	49,904	51,520	53,498	55,382	57,094	59,170	61,256	63,350
% Ch	0.5%	1.5%	3.2%	3.8%	3.5%	3.1%	3.6%	3.5%	3.4%
INFORMATION									
Idaho	6,990	7,083	7,195	7,414	7,602	7,699	7,587	8,376	9,274
% Ch	N/C	1.3%	1.6%	3.0%	2.5%	1.3%	-1.5%	10.4%	10.7%
National (Thousands)	2,678	2,642	2,667	2,739	2,844	2,940	3,084	3,219	3,418
% Ch	-0.4%	-1.3%	1.0%	2.7%	3.8%	3.4%	4.9%	4.4%	6.2%
FINANCIAL ACTIVITIES									
Idaho	21,116	22,104	23,258	24,521	25,494	26,834	26,836	24,256	25,305
% Ch	N/C	4.7%	5.2%	5.4%	4.0%	5.3%	0.0%	-9.6%	4.3%
National (Thousands)	6,559	6,540	6,708	6,866	6,828	6,969	7,178	7,462	7,646
% Ch	-0.8%	-0.3%	2.6%	2.4%	-0.6%	2.1%	3.0%	4.0%	2.5%

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EMPLOYMENT

MANUFACTURING (continued)	2000	2001	2002	2003	2004	2005	2006	2007
NONDURABLE MANUFACTURING								
Idaho	25,625	25,293	24,483	23,911	22,964	23,062	23,247	23,458
% Ch	0.4%	-1.3%	-3.2%	-2.3%	-4.0%	0.4%	0.8%	0.9%
National (Thousands)	6,389	6,107	5,774	5,554	5,436	5,412	5,396	5,367
% Ch	-1.6%	-4.4%	-5.4%	-3.8%	-2.1%	-0.4%	-0.3%	-0.5%
FOOD PROCESSING								
Idaho	16,660	16,521	16,354	15,901	14,949	14,982	15,136	15,295
% Ch	-0.3%	-0.8%	-1.0%	-2.8%	-6.0%	0.2%	1.0%	1.1%
National (Thousands)	1,553	1,551	1,525	1,518	1,503	1,507	1,519	1,531
% Ch	0.2%	-0.2%	-1.7%	-0.5%	-1.0%	0.3%	0.8%	0.8%
PRINTING								
Idaho	2,339	2,225	2,033	2,030	1,874	1,828	1,838	1,844
% Ch	4.7%	-4.9%	-8.6%	-0.2%	-7.7%	-2.4%	0.6%	0.3%
National (Thousands)	807	769	707	680	665	666	672	676
% Ch	-0.9%	-4.7%	-8.1%	-3.8%	-2.2%	0.2%	0.8%	0.6%
CHEMICALS								
Idaho	2,336	2,323	1,925	1,830	1,855	1,856	1,776	1,727
% Ch	1.0%	-0.5%	-17.2%	-4.9%	1.4%	0.0%	-4.3%	-2.8%
National (Thousands)	980	959	928	908	893	894	893	883
% Ch	-0.2%	-2.2%	-3.3%	-2.1%	-1.6%	0.1%	-0.1%	-1.1%
OTHER NONDURABLES								
Idaho	4,289	4,223	4,171	4,151	4,286	4,395	4,497	4,591
% Ch	0.7%	-1.5%	-1.2%	-0.5%	3.3%	2.5%	2.3%	2.1%
National (Thousands)	3,048	2,828	2,615	2,448	2,375	2,344	2,312	2,276
% Ch	-3.1%	-7.2%	-7.5%	-6.4%	-3.0%	-1.3%	-1.4%	-1.5%
MINING								
Idaho	2,347	1,973	1,758	1,784	1,777	1,800	1,543	1,384
% Ch	-5.5%	-15.9%	-10.9%	1.5%	-0.4%	1.3%	-14.3%	-10.3%
National (Thousands)	520	533	512	502	524	544	516	488
% Ch	0.5%	2.4%	-3.8%	-1.9%	4.4%	3.8%	-5.2%	-5.4%
CONSTRUCTION								
Idaho	36,501	37,854	36,453	36,721	39,443	38,291	36,764	35,258
% Ch	4.2%	3.7%	-3.7%	0.7%	7.4%	-2.9%	-4.0%	-4.1%
National (Thousands)	6,788	6,828	6,717	6,722	6,909	7,096	7,120	7,157
% Ch	3.7%	0.6%	-1.6%	0.1%	2.8%	2.7%	0.3%	0.5%
NONGOODS PRODUCING								
Idaho	446,693	457,797	462,992	470,133	481,558	492,038	504,000	516,308
% Ch	4.0%	2.5%	1.1%	1.5%	2.4%	2.2%	2.4%	2.4%
National (Thousands)	107,138	107,962	107,787	108,120	109,345	111,147	112,486	113,748
% Ch	2.5%	0.8%	-0.2%	0.3%	1.1%	1.6%	1.2%	1.1%
SERVICES								
Idaho	238,275	249,570	253,620	260,004	268,236	276,174	285,187	294,217
% Ch	4.7%	4.7%	1.6%	2.5%	3.2%	3.0%	3.3%	3.2%
National (Thousands)	65,136	65,830	65,600	66,021	67,117	68,767	69,847	70,985
% Ch	2.8%	1.1%	-0.3%	0.6%	1.7%	2.5%	1.6%	1.6%
INFORMATION								
Idaho	9,860	9,597	9,157	9,182	9,446	9,885	10,223	10,481
% Ch	6.3%	-2.7%	-4.6%	0.3%	2.9%	4.6%	3.4%	2.5%
National (Thousands)	3,630	3,629	3,394	3,198	3,180	3,245	3,238	3,262
% Ch	6.2%	0.0%	-6.5%	-5.8%	-0.5%	2.0%	-0.2%	0.7%
FINANCIAL ACTIVITIES								
Idaho	25,159	25,011	25,823	26,944	27,717	28,423	29,017	29,540
% Ch	-0.6%	-0.6%	3.2%	4.3%	2.9%	2.5%	2.1%	1.8%
National (Thousands)	7,688	7,809	7,848	7,974	8,035	8,094	8,069	8,072
% Ch	0.5%	1.6%	0.5%	1.6%	0.8%	0.7%	-0.3%	0.0%

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SERVICES (Continued)

	1991	1992	1993	1994	1995	1996	1997	1998	1999
TRANS., WAREHOUSING, UTILITIES									
Idaho	13,478	14,055	14,557	15,465	16,508	17,329	17,624	18,158	19,004
% Ch	N/C	4.3%	3.6%	6.2%	6.7%	5.0%	1.7%	3.0%	4.7%
National (Thousands)	4,200	4,188	4,264	4,390	4,505	4,576	4,647	4,781	4,906
% Ch	-0.4%	-0.3%	1.8%	2.9%	2.6%	1.6%	1.5%	2.9%	2.6%
PROFESSIONAL & BUSINESS									
Idaho	32,720	33,756	36,872	39,173	42,480	42,934	47,295	50,766	54,792
% Ch	N/C	3.2%	9.2%	6.2%	8.4%	1.1%	10.2%	7.3%	7.9%
National (Thousands)	10,715	10,967	11,493	12,171	12,846	13,461	14,333	15,142	15,954
% Ch	-1.2%	2.3%	4.8%	5.9%	5.6%	4.8%	6.5%	5.6%	5.4%
EDUCATION & HEALTH									
Idaho	32,043	34,554	36,841	39,048	41,491	44,361	46,347	49,248	50,575
% Ch	N/C	7.8%	6.6%	6.0%	6.3%	6.9%	4.5%	6.3%	2.7%
National (Thousands)	11,507	11,890	12,303	12,806	13,288	13,683	14,088	14,445	14,795
% Ch	4.8%	3.3%	3.5%	4.1%	3.8%	3.0%	3.0%	2.5%	2.4%
LEISURE & HOSPITALITY									
Idaho	37,432	39,614	41,375	44,569	46,651	47,557	48,839	50,424	51,460
% Ch	N/C	5.8%	4.4%	7.7%	4.7%	1.9%	2.7%	3.2%	2.1%
National (Thousands)	9,256	9,439	9,733	10,098	10,499	10,774	11,016	11,232	11,544
% Ch	-0.3%	2.0%	3.1%	3.7%	4.0%	2.6%	2.3%	2.0%	2.8%
OTHER SERVICES									
Idaho	11,631	12,045	13,426	15,356	15,829	15,393	15,506	16,235	17,144
% Ch	N/C	3.6%	11.5%	14.4%	3.1%	-2.8%	0.7%	4.7%	5.6%
National (Thousands)	4,249	4,240	4,350	4,429	4,572	4,691	4,825	4,976	5,087
% Ch	-0.3%	-0.2%	2.6%	1.8%	3.2%	2.6%	2.9%	3.1%	2.2%
TRADE									
Idaho	72,496	75,916	78,874	83,336	86,215	89,134	91,683	93,772	96,725
% Ch	N/C	4.7%	3.9%	5.7%	3.5%	3.4%	2.9%	2.3%	3.1%
National (Thousands)	18,083	17,939	18,113	18,733	19,328	19,663	20,053	20,405	20,863
% Ch	-2.0%	-0.8%	1.0%	3.4%	3.2%	1.7%	2.0%	1.8%	2.2%
RETAIL TRADE									
Idaho	52,323	54,822	57,743	61,034	63,162	65,408	67,175	69,160	71,418
% Ch	N/C	4.8%	5.3%	5.7%	3.5%	3.6%	2.7%	3.0%	3.3%
National (Thousands)	12,897	12,829	13,019	13,486	13,895	14,141	14,390	14,610	14,971
% Ch	-2.2%	-0.5%	1.5%	3.6%	3.0%	1.8%	1.8%	1.5%	2.5%
WHOLESALE TRADE									
Idaho	20,173	21,094	21,132	22,303	23,053	23,726	24,509	24,612	25,307
% Ch	N/C	4.6%	0.2%	5.5%	3.4%	2.9%	3.3%	0.4%	2.8%
National (Thousands)	5,186	5,110	5,094	5,247	5,433	5,523	5,663	5,795	5,893
% Ch	-1.6%	-1.5%	-0.3%	3.0%	3.5%	1.6%	2.6%	2.3%	1.7%
STATE & LOCAL GOVERNMENT									
Idaho	72,468	75,893	78,166	80,426	83,355	84,360	87,298	89,468	92,265
% Ch	N/C	4.7%	3.0%	2.9%	3.6%	1.2%	3.5%	2.5%	3.1%
National (Thousands)	14,791	15,218	15,436	15,674	15,931	16,258	16,488	16,653	16,854
% Ch	2.6%	2.9%	1.4%	1.5%	1.6%	2.1%	1.4%	1.0%	1.2%
EDUCATION									
Idaho	37,568	38,516	39,830	40,542	42,571	42,572	44,219	45,413	46,750
% Ch	N/C	2.5%	3.4%	1.8%	5.0%	0.0%	3.9%	2.7%	2.9%
NONEDUCATION									
Idaho	34,900	37,377	38,336	39,884	40,783	41,787	43,079	44,056	45,515
% Ch	N/C	7.1%	2.6%	4.0%	2.3%	2.5%	3.1%	2.3%	3.3%
FEDERAL GOVERNMENT									
Idaho	12,899	13,450	13,575	13,493	13,113	12,899	12,903	12,800	12,833
% Ch	N/C	4.3%	0.9%	-0.6%	-2.8%	-1.6%	0.0%	-0.8%	0.3%
National (Thousands)	3,111	3,112	3,062	3,016	2,947	2,876	2,806	2,771	2,770
% Ch	-0.4%	0.0%	-1.6%	-1.5%	-2.3%	-2.4%	-2.5%	-1.2%	0.0%

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SERVICES (Continued)								
	2000	2001	2002	2003	2004	2005	2006	2007
TRANS., WAREHOUSING, UTILITIES								
Idaho	19,408	19,155	18,673	18,759	19,165	19,507	19,803	20,136
% Ch	2.1%	-1.3%	-2.5%	0.5%	2.2%	1.8%	1.5%	1.7%
National (Thousands)	5,012	4,973	4,821	4,758	4,800	4,926	5,029	5,147
% Ch	2.2%	-0.8%	-3.1%	-1.3%	0.9%	2.6%	2.1%	2.3%
PROFESSIONAL & BUSINESS								
Idaho	60,624	67,650	69,008	69,993	72,934	75,211	78,286	81,382
% Ch	10.6%	11.6%	2.0%	1.4%	4.2%	3.1%	4.1%	4.0%
National (Thousands)	16,671	16,483	15,976	15,992	16,459	17,206	17,714	18,447
% Ch	4.5%	-1.1%	-3.1%	0.1%	2.9%	4.5%	2.9%	4.1%
EDUCATION & HEALTH								
Idaho	53,018	56,958	59,813	62,555	64,654	66,618	68,892	71,179
% Ch	4.8%	7.4%	5.0%	4.6%	3.4%	3.0%	3.4%	3.3%
National (Thousands)	15,108	15,645	16,203	16,580	16,907	17,279	17,561	17,768
% Ch	2.1%	3.6%	3.6%	2.3%	2.0%	2.2%	1.6%	1.2%
LEISURE & HOSPITALITY								
Idaho	52,563	53,056	53,278	54,402	55,921	57,752	59,772	61,854
% Ch	2.1%	0.9%	0.4%	2.1%	2.8%	3.3%	3.5%	3.5%
National (Thousands)	11,859	12,032	11,986	12,128	12,320	12,591	12,780	12,754
% Ch	2.7%	1.5%	-0.4%	1.2%	1.6%	2.2%	1.5%	-0.2%
OTHER SERVICES								
Idaho	17,643	18,144	17,869	18,169	18,398	18,779	19,194	19,646
% Ch	2.9%	2.8%	-1.5%	1.7%	1.3%	2.1%	2.2%	2.4%
National (Thousands)	5,168	5,258	5,372	5,392	5,414	5,426	5,457	5,536
% Ch	1.6%	1.7%	2.2%	0.4%	0.4%	0.2%	0.6%	1.5%
TRADE								
Idaho	100,168	98,083	97,335	97,107	98,811	101,325	103,728	106,347
% Ch	3.6%	-2.1%	-0.8%	-0.2%	1.8%	2.5%	2.4%	2.5%
National (Thousands)	21,210	21,012	20,677	20,525	20,666	20,723	20,883	20,980
% Ch	1.7%	-0.9%	-1.6%	-0.7%	0.7%	0.3%	0.8%	0.5%
RETAIL TRADE								
Idaho	74,455	72,618	72,389	72,612	73,717	75,698	77,578	79,630
% Ch	4.3%	-2.5%	-0.3%	0.3%	1.5%	2.7%	2.5%	2.6%
National (Thousands)	15,278	15,239	15,025	14,918	15,022	15,001	15,099	15,159
% Ch	2.1%	-0.3%	-1.4%	-0.7%	0.7%	-0.1%	0.7%	0.4%
WHOLESALE TRADE								
Idaho	25,713	25,466	24,946	24,495	25,093	25,627	26,151	26,717
% Ch	1.6%	-1.0%	-2.0%	-1.8%	2.4%	2.1%	2.0%	2.2%
National (Thousands)	5,933	5,772	5,653	5,606	5,643	5,722	5,785	5,821
% Ch	0.7%	-2.7%	-2.1%	-0.8%	0.7%	1.4%	1.1%	0.6%
STATE & LOCAL GOVERNMENT								
Idaho	94,748	96,866	98,488	99,403	101,531	101,702	102,315	103,013
% Ch	2.7%	2.2%	1.7%	0.9%	2.1%	0.2%	0.6%	0.7%
National (Thousands)	17,928	18,358	18,743	18,816	18,848	18,949	19,047	19,070
% Ch	6.4%	2.4%	2.1%	0.4%	0.2%	0.5%	0.5%	0.1%
EDUCATION								
Idaho	47,990	49,024	49,655	49,913	50,544	51,168	51,718	52,350
% Ch	2.7%	2.2%	1.3%	0.5%	1.3%	1.2%	1.1%	1.2%
NONEDUCATION								
Idaho	46,758	47,842	48,834	49,489	50,987	50,534	50,597	50,662
% Ch	2.7%	2.3%	2.1%	1.3%	3.0%	-0.9%	0.1%	0.1%
FEDERAL GOVERNMENT								
Idaho	13,501	13,278	13,548	13,620	12,981	12,837	12,770	12,732
% Ch	5.2%	-1.7%	2.0%	0.5%	-4.7%	-1.1%	-0.5%	-0.3%
National (Thousands)	2,864	2,763	2,766	2,758	2,715	2,708	2,708	2,712
% Ch	3.4%	-3.5%	0.1%	-0.3%	-1.6%	-0.2%	0.0%	0.1%

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**IDAHO ECONOMIC FORECAST
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MISCELLANEOUS

	1991	1992	1993	1994	1995	1996	1997	1998	1999
SELECTED CHAIN-WEIGHTED DEFL.									
Gross Domestic Product	84.457	86.402	88.391	90.265	92.115	93.859	95.415	96.475	97.868
% Ch	3.5%	2.3%	2.3%	2.1%	2.0%	1.9%	1.7%	1.1%	1.4%
Consumption Expenditures	83.419	85.825	87.804	89.654	91.577	93.547	95.124	95.978	97.575
% Ch	3.6%	2.9%	2.3%	2.1%	2.1%	2.2%	1.7%	0.9%	1.7%
Durable Goods	106.081	106.756	107.841	109.978	110.672	109.507	107.068	104.152	101.626
% Ch	1.5%	0.6%	1.0%	2.0%	0.6%	-1.1%	-2.2%	-2.7%	-2.4%
Nondurable Goods	86.779	88.105	88.973	89.605	90.629	92.567	93.835	93.821	96.173
% Ch	3.0%	1.5%	1.0%	0.7%	1.1%	2.1%	1.4%	0.0%	2.5%
Services	77.497	80.684	83.345	85.748	88.320	90.844	93.305	95.319	97.393
% Ch	4.4%	4.1%	3.3%	2.9%	3.0%	2.9%	2.7%	2.2%	2.2%
Consumer Price Index (1982-84=1.000)	1.362	1.403	1.445	1.482	1.524	1.569	1.605	1.630	1.666
% Ch	4.2%	3.0%	3.0%	2.6%	2.8%	2.9%	2.3%	1.5%	2.2%
SELECTED INTEREST RATES									
Federal Funds	5.7%	3.5%	3.0%	4.2%	5.8%	5.3%	5.5%	5.4%	5.0%
NY Fed Discount	5.5%	3.3%	3.0%	3.6%	5.2%	5.0%	5.0%	4.9%	4.6%
Prime	8.5%	6.3%	6.0%	7.1%	8.8%	8.3%	8.4%	8.4%	8.0%
Existing Home Mortgage	9.3%	8.1%	7.2%	7.5%	7.8%	7.7%	7.7%	7.1%	7.3%
U.S. Govt. 3-Month Bills	5.4%	3.4%	3.0%	4.2%	5.5%	5.0%	5.1%	4.8%	4.6%
U.S. Govt. 6-Month Bills	5.5%	3.6%	3.1%	4.6%	5.6%	5.1%	5.2%	4.8%	4.7%
U.S. Govt. 5-Year Notes	7.4%	6.2%	5.1%	6.7%	6.4%	6.2%	6.2%	5.2%	5.5%
U.S. Govt. 10-Year Notes	7.9%	7.0%	5.9%	7.1%	6.6%	6.4%	6.4%	5.3%	5.6%
SELECTED US PRODUCTION INDICES									
Wood Products	81.3	85.7	86.7	91.8	94.0	97.1	100.0	105.0	108.8
% Ch	-6.4%	5.5%	1.1%	5.9%	2.4%	3.3%	3.0%	5.0%	3.7%
Computers & Electronic Products	29.8	33.6	37.1	44.2	57.5	73.8	100.0	129.1	169.0
% Ch	3.8%	12.7%	10.4%	19.1%	30.2%	28.4%	35.5%	29.1%	30.9%
Food	92.0	93.8	96.3	96.8	99.3	97.4	100.0	104.3	105.2
% Ch	1.8%	1.9%	2.7%	0.6%	2.6%	-2.0%	2.7%	4.3%	0.9%
Agricultural Chemicals	90.4	94.2	95.0	94.9	94.5	96.4	100.0	102.4	91.8
% Ch	-3.4%	4.2%	0.8%	-0.2%	-0.4%	2.0%	3.7%	2.4%	-10.4%
Metal Ore Mining	84.6	90.8	90.2	91.9	92.8	94.8	100.0	99.6	91.3
% Ch	-0.2%	7.4%	-0.7%	1.8%	1.0%	2.2%	5.5%	-0.4%	-8.3%

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MISCELLANEOUS

	2000	2001	2002	2003	2004	2005	2006	2007
SELECTED CHAIN-WEIGHTED DEFL.								
Gross Domestic Product	100.000	102.402	104.097	106.004	108.240	110.340	112.232	114.354
% Ch	2.2%	2.4%	1.7%	1.8%	2.1%	1.9%	1.7%	1.9%
Consumption Expenditures	100.000	102.094	103.548	105.511	107.840	109.796	111.679	113.892
% Ch	2.5%	2.1%	1.4%	1.9%	2.2%	1.8%	1.7%	2.0%
Durable Goods	100.000	98.114	95.475	92.245	90.580	90.226	89.520	89.037
% Ch	-1.6%	-1.9%	-2.7%	-3.4%	-1.8%	-0.4%	-0.8%	-0.5%
Nondurable Goods	100.000	101.531	102.097	104.154	107.379	108.219	108.922	110.320
% Ch	4.0%	1.5%	0.6%	2.0%	3.1%	0.8%	0.6%	1.3%
Services	100.000	103.257	106.083	109.237	112.108	115.213	118.341	121.654
% Ch	2.7%	3.3%	2.7%	3.0%	2.6%	2.8%	2.7%	2.8%
Consumer Price Index (1982-84=100)	1.722	1.770	1.799	1.840	1.888	1.924	1.952	1.986
% Ch	3.4%	2.8%	1.6%	2.3%	2.6%	1.9%	1.5%	1.7%

SELECTED INTEREST RATES

Federal Funds	6.2%	3.9%	1.7%	1.1%	1.3%	2.8%	3.5%	3.5%
NY Fed Discount	5.7%	3.4%	1.2%	2.1%	2.3%	3.8%	4.5%	4.5%
Prime	9.2%	6.9%	4.7%	4.1%	4.3%	5.8%	6.5%	6.5%
Existing Home Mortgage	8.0%	7.0%	6.5%	5.7%	5.7%	6.5%	6.7%	6.8%
U.S. Govt. 3-Month Bills	5.8%	3.4%	1.6%	1.0%	1.3%	2.8%	3.2%	3.2%
U.S. Govt. 6-Month Bills	5.9%	3.4%	1.7%	1.1%	1.5%	2.9%	3.4%	3.4%
U.S. Govt. 5-Year Notes	6.2%	4.6%	3.8%	3.0%	3.5%	4.3%	4.7%	4.8%
U.S. Govt. 10-Year Notes	6.0%	5.0%	4.6%	4.0%	4.4%	5.0%	5.2%	5.4%

SELECTED US PRODUCTION INDICES

Wood Products	107.2	100.6	100.6	99.1	103.5	99.6	94.6	94.4
% Ch	-1.5%	-6.2%	-0.1%	-1.4%	4.4%	-3.7%	-5.0%	-0.2%
Computers & Electronic Products	224.0	226.1	234.7	266.9	317.1	362.6	410.9	472.3
% Ch	32.5%	1.0%	3.8%	13.8%	18.8%	14.3%	13.3%	15.0%
Food	106.8	106.9	107.1	106.2	108.3	110.0	112.3	114.6
% Ch	1.5%	0.1%	0.2%	-0.9%	2.0%	1.6%	2.0%	2.1%
Agricultural Chemicals	84.9	80.6	81.7	80.9	86.3	84.1	82.7	82.8
% Ch	-7.5%	-5.1%	1.4%	-0.9%	6.6%	-2.6%	-1.6%	0.1%
Metal Ore Mining	90.9	82.6	75.4	72.5	72.8	77.3	81.0	83.9
% Ch	-0.4%	-9.2%	-8.8%	-3.8%	0.4%	6.2%	4.9%	3.5%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

DEMOGRAPHICS

	Q1	2002 Q2	Q3	Q4	Q1	2003 Q2	Q3	Q4	Q1	2004 Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,333.2	1,339.4	1,344.8	1,350.4	1,356.5	1,362.4	1,367.8	1,372.9	1,377.9	1,382.8	1,387.6	1,392.6
% Ch	1.6%	1.9%	1.6%	1.7%	1.8%	1.8%	1.6%	1.5%	1.5%	1.4%	1.4%	1.5%
National (Millions)	287.487	288.205	289.001	289.703	290.340	291.049	291.745	292.417	293.088	293.759	294.436	295.109
% Ch	0.9%	1.0%	1.1%	1.0%	0.9%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%
BIRTHS												
Idaho (Thousands)	20.897	20.950	21.027	21.077	21.259	21.363	21.450	21.522	21.593	21.660	21.723	21.796
% Ch	2.0%	1.0%	1.5%	1.0%	3.5%	2.0%	1.6%	1.3%	1.3%	1.2%	1.2%	1.3%
National (Thousands)	3,881	3,883	3,886	3,890	3,894	3,898	3,903	3,909	3,915	3,921	3,928	3,935
% Ch	0.2%	0.2%	0.3%	0.4%	0.4%	0.4%	0.5%	0.6%	0.6%	0.6%	0.7%	0.8%
DEATHS												
Idaho (Thousands)	9.894	9.912	9.955	9.977	10.067	10.110	10.151	10.189	10.227	10.264	10.301	10.339
% Ch	1.1%	0.7%	1.7%	0.9%	3.6%	1.7%	1.6%	1.5%	1.5%	1.5%	1.4%	1.5%
National (Thousands)	2,459	2,465	2,470	2,475	2,480	2,485	2,490	2,495	2,499	2,504	2,510	2,515
% Ch	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
NET MIGRATION												
Idaho (Thousands)	8.906	8.892	10.724	11.523	12.053	11.678	11.728	11.093	10.043	9.011	8.325	8.318
HOUSING												
HOUSING STARTS												
Idaho	11,408	12,286	13,035	15,905	15,784	14,964	16,595	17,973	16,594	17,218	16,806	16,254
% Ch	11.1%	34.5%	26.7%	121.7%	-3.0%	-19.2%	51.2%	37.6%	-27.3%	15.9%	-9.2%	-12.5%
National (Millions)	1.723	1.691	1.697	1.730	1.747	1.745	1.883	2.035	1.943	1.923	1.938	1.923
% Ch	45.1%	-7.2%	1.5%	7.8%	4.1%	-0.5%	35.7%	36.2%	-16.8%	-4.1%	3.2%	-2.9%
SINGLE UNITS												
Idaho	10,007	10,685	11,281	12,601	12,821	12,701	14,064	15,903	14,462	14,731	14,550	14,234
% Ch	10.8%	30.0%	24.3%	55.7%	7.2%	-3.7%	50.3%	63.5%	-31.6%	7.6%	-4.8%	-8.4%
National (Millions)	1.370	1.349	1.339	1.395	1.418	1.420	1.522	1.657	1.570	1.597	1.620	1.606
% Ch	41.5%	-6.1%	-3.0%	17.9%	6.9%	0.6%	32.0%	40.4%	-19.4%	7.1%	6.0%	-3.6%
MULTIPLE UNITS												
Idaho	1,401	1,601	1,753	3,304	2,963	2,263	2,531	2,070	2,131	2,487	2,256	2,020
% Ch	12.9%	70.4%	43.9%	1160.9%	-35.4%	-65.9%	56.4%	-55.2%	12.3%	85.4%	-32.3%	-35.8%
National (Millions)	0.353	0.342	0.359	0.335	0.329	0.325	0.361	0.378	0.373	0.326	0.317	0.318
% Ch	59.8%	-11.6%	21.0%	-24.2%	-7.0%	-4.8%	52.9%	19.8%	-4.9%	-41.9%	-9.8%	0.5%
HOUSING STOCK												
Idaho (Thousands)	438.5	441.2	444.1	447.8	451.4	454.8	458.6	462.8	466.6	470.5	474.4	478.1
% Ch	2.3%	2.5%	2.7%	3.3%	3.3%	3.0%	3.4%	3.7%	3.3%	3.4%	3.3%	3.2%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

DEMOGRAPHICS

	Q1	2005 Q2	Q3	Q4	Q1	2006 Q2	Q3	Q4	Q1	2007 Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,397.7	1,402.8	1,407.9	1,413.0	1,418.1	1,423.2	1,428.3	1,433.5	1,439.1	1,444.2	1,449.3	1,454.4
% Ch	1.5%	1.5%	1.5%	1.5%	1.5%	1.4%	1.4%	1.4%	1.6%	1.4%	1.4%	1.4%
National (Millions)	295.783	296.457	297.131	297.803	298.474	299.145	299.813	300.480	301.148	301.816	302.481	303.139
% Ch	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
BIRTHS												
Idaho (Thousands)	21.870	21.945	22.019	22.093	22.168	22.242	22.316	22.391	22.483	22.558	22.632	22.706
% Ch	1.4%	1.4%	1.4%	1.4%	1.4%	1.3%	1.3%	1.3%	1.7%	1.3%	1.3%	1.3%
National (Thousands)	3,943	3,951	3,959	3,968	3,977	3,986	3,995	4,006	4,017	4,027	4,038	4,049
% Ch	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	1.1%	1.1%	1.0%	1.1%	1.1%
DEATHS												
Idaho (Thousands)	10.378	10.416	10.455	10.493	10.532	10.570	10.609	10.647	10.689	10.727	10.766	10.804
% Ch	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.6%	1.4%	1.4%	1.4%
National (Thousands)	2,520	2,525	2,531	2,536	2,540	2,545	2,550	2,556	2,561	2,566	2,571	2,576
% Ch	0.8%	0.8%	1.0%	0.8%	0.6%	0.8%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%
NET MIGRATION												
Idaho (Thousands)	8.371	8.535	8.800	8.814	8.778	8.742	8.706	8.671	9.119	9.084	9.048	9.012
HOUSING												
HOUSING STARTS												
Idaho	15,800	15,430	15,124	15,101	15,260	15,234	15,142	14,928	14,699	14,484	14,251	14,054
% Ch	-10.7%	-9.0%	-7.7%	-0.6%	4.3%	-0.7%	-2.4%	-5.5%	-6.0%	-5.7%	-6.3%	-5.4%
National (Millions)	1.862	1.813	1.767	1.718	1.688	1.667	1.658	1.653	1.653	1.656	1.656	1.654
% Ch	-12.2%	-10.1%	-9.7%	-10.6%	-6.9%	-4.9%	-2.3%	-1.1%	0.1%	0.8%	-0.1%	-0.5%
SINGLE UNITS												
Idaho	13,864	13,572	13,338	13,377	13,586	13,605	13,550	13,376	13,189	13,013	12,822	12,667
% Ch	-10.0%	-8.2%	-6.7%	1.2%	6.4%	0.5%	-1.6%	-5.1%	-5.5%	-5.2%	-5.8%	-4.7%
National (Millions)	1.573	1.542	1.506	1.453	1.426	1.409	1.395	1.384	1.375	1.369	1.365	1.360
% Ch	-7.8%	-7.6%	-9.2%	-13.3%	-7.3%	-4.4%	-4.1%	-3.2%	-2.5%	-1.6%	-1.4%	-1.2%
MULTIPLE UNITS												
Idaho	1,936	1,859	1,786	1,724	1,673	1,630	1,592	1,552	1,510	1,471	1,429	1,387
% Ch	-15.6%	-15.0%	-14.7%	-13.3%	-11.2%	-10.1%	-9.0%	-9.5%	-10.5%	-10.0%	-10.8%	-11.3%
National (Millions)	0.289	0.270	0.262	0.266	0.262	0.258	0.263	0.269	0.278	0.287	0.291	0.294
% Ch	-32.0%	-22.8%	-12.3%	6.0%	-4.7%	-7.1%	8.0%	10.3%	14.2%	13.2%	6.3%	3.2%
HOUSING STOCK												
Idaho (Thousands)	481.7	485.2	488.6	492.0	495.4	498.9	502.3	505.6	508.9	512.2	515.3	518.5
% Ch	3.0%	2.9%	2.8%	2.8%	2.8%	2.8%	2.8%	2.7%	2.6%	2.6%	2.5%	2.4%

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

OUTPUT, INCOME, & WAGES

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	10,338	10,446	10,547	10,618	10,745	10,884	11,117	11,271	11,473	11,643	11,782	11,956
% Ch	4.4%	4.2%	3.9%	2.7%	4.9%	5.3%	8.8%	5.7%	7.4%	6.1%	4.9%	6.0%
2000 Chain-Weighted	9,994	10,053	10,117	10,136	10,184	10,287	10,473	10,581	10,698	10,771	10,862	10,968
% Ch	3.4%	2.4%	2.6%	0.7%	1.9%	4.1%	7.4%	4.2%	4.5%	2.8%	3.4%	4.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	33,468	34,207	34,388	34,806	34,672	35,074	35,613	36,175	36,525	37,409	37,615	38,522
% Ch	0.7%	9.1%	2.1%	5.0%	-1.5%	4.7%	6.3%	6.5%	3.9%	10.0%	2.2%	10.0%
Idaho Nonfarm (Millions)	32,584	33,079	33,315	33,543	33,864	34,045	34,483	34,908	35,629	36,213	36,541	37,457
% Ch	4.3%	6.2%	2.9%	2.8%	3.9%	2.2%	5.2%	5.0%	8.5%	6.7%	3.7%	10.4%
National (Billions)	8,804	8,897	8,896	8,919	9,002	9,106	9,209	9,330	9,445	9,585	9,665	9,895
% Ch	2.2%	4.3%	-0.1%	1.1%	3.8%	4.7%	4.6%	5.3%	5.0%	6.1%	3.4%	9.9%
PERSONAL INCOME - 2000 \$												
Idaho (Millions)	32,601	33,087	33,099	33,387	32,996	33,318	33,696	34,126	34,180	34,736	34,791	35,441
% Ch	-0.2%	6.1%	0.2%	3.5%	-4.6%	4.0%	4.6%	5.2%	0.6%	6.7%	0.6%	7.7%
Idaho Nonfarm (Millions)	31,740	31,996	32,066	32,176	32,227	32,341	32,627	32,931	33,342	33,626	33,798	34,461
% Ch	3.4%	3.3%	0.9%	1.4%	0.6%	1.4%	3.6%	3.8%	5.1%	3.5%	2.1%	8.1%
National (Billions)	8,575	8,606	8,562	8,556	8,567	8,650	8,714	8,801	8,839	8,901	8,939	9,104
% Ch	1.4%	1.4%	-2.0%	-0.3%	0.5%	3.9%	3.0%	4.1%	1.7%	2.8%	1.7%	7.6%
PER CAPITA PERS INC - CURR \$												
Idaho	25,103	25,538	25,571	25,774	25,561	25,745	26,036	26,350	26,508	27,053	27,109	27,661
% Ch	-0.9%	7.1%	0.5%	3.2%	-3.3%	2.9%	4.6%	4.9%	2.4%	8.5%	0.8%	8.4%
National	30,623	30,871	30,781	30,787	31,006	31,286	31,566	31,907	32,226	32,630	32,824	33,530
% Ch	1.3%	3.3%	-1.2%	0.1%	2.9%	3.7%	3.6%	4.4%	4.1%	5.1%	2.4%	8.9%
PER CAPITA PERS INC - 2000 \$												
Idaho	24,453	24,702	24,613	24,723	24,325	24,456	24,635	24,858	24,807	25,121	25,074	25,449
% Ch	-1.8%	4.1%	-1.4%	1.8%	-6.3%	2.2%	2.9%	3.7%	-0.8%	5.2%	-0.8%	6.1%
National	29,829	29,860	29,627	29,532	29,507	29,720	29,867	30,099	30,157	30,299	30,360	30,848
% Ch	0.4%	0.4%	-3.1%	-1.3%	-0.3%	2.9%	2.0%	3.1%	0.8%	1.9%	0.8%	6.6%
AVERAGE ANNUAL WAGE												
Idaho	29,067	29,072	29,233	29,350	29,568	29,565	29,729	29,756	30,097	30,408	30,616	30,918
% Ch	3.0%	0.1%	2.2%	1.6%	3.0%	0.0%	2.2%	0.4%	4.7%	4.2%	2.8%	4.0%
National	37,994	38,196	38,233	38,291	38,627	39,062	39,506	39,914	40,188	40,439	40,760	41,157
% Ch	4.1%	2.1%	0.4%	0.6%	3.6%	4.6%	4.6%	4.2%	2.8%	2.5%	3.2%	4.0%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

OUTPUT, INCOME, & WAGES

	2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	12,119	12,279	12,421	12,545	12,687	12,833	12,992	13,157	13,324	13,499	13,663	13,831
% Ch	5.6%	5.4%	4.7%	4.0%	4.6%	4.7%	5.0%	5.2%	5.2%	5.3%	5.0%	5.0%
2000 Chain-Weighted	11,054	11,149	11,233	11,300	11,376	11,460	11,552	11,647	11,736	11,832	11,920	12,009
% Ch	3.2%	3.5%	3.1%	2.4%	2.7%	3.0%	3.3%	3.3%	3.1%	3.3%	3.0%	3.0%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	38,669	39,125	39,575	40,073	40,658	41,227	41,771	42,320	42,862	43,458	44,061	44,664
% Ch	1.5%	4.8%	4.7%	5.1%	6.0%	5.7%	5.4%	5.4%	5.2%	5.7%	5.7%	5.6%
Idaho Nonfarm (Millions)	37,522	38,015	38,468	38,925	39,445	40,007	40,576	41,114	41,671	42,256	42,847	43,448
% Ch	0.7%	5.4%	4.9%	4.8%	5.5%	5.8%	5.8%	5.4%	5.5%	5.7%	5.7%	5.7%
National (Billions)	9,935	10,059	10,178	10,289	10,425	10,561	10,706	10,846	10,987	11,137	11,285	11,436
% Ch	1.6%	5.1%	4.8%	4.4%	5.4%	5.3%	5.6%	5.3%	5.3%	5.6%	5.4%	5.4%
PERSONAL INCOME - 2000 \$												
Idaho (Millions)	35,422	35,698	35,978	36,292	36,657	37,007	37,318	37,630	37,925	38,255	38,589	38,917
% Ch	-0.2%	3.2%	3.2%	3.5%	4.1%	3.9%	3.4%	3.4%	3.2%	3.5%	3.5%	3.4%
Idaho Nonfarm (Millions)	34,371	34,685	34,972	35,253	35,564	35,911	36,251	36,557	36,871	37,197	37,525	37,857
% Ch	-1.0%	3.7%	3.4%	3.3%	3.6%	4.0%	3.8%	3.4%	3.5%	3.6%	3.6%	3.6%
National (Billions)	9,100	9,177	9,253	9,319	9,399	9,480	9,565	9,644	9,721	9,803	9,884	9,964
% Ch	-0.1%	3.4%	3.3%	2.9%	3.5%	3.5%	3.6%	3.3%	3.3%	3.4%	3.3%	3.3%
PER CAPITA PERS INC - CURR \$												
Idaho	27,666	27,890	28,109	28,359	28,670	28,967	29,244	29,523	29,785	30,093	30,402	30,711
% Ch	0.1%	3.3%	3.2%	3.6%	4.5%	4.2%	3.9%	3.9%	3.6%	4.2%	4.2%	4.1%
National	33,588	33,929	34,254	34,551	34,928	35,305	35,710	36,095	36,483	36,900	37,310	37,726
% Ch	0.7%	4.1%	3.9%	3.5%	4.4%	4.4%	4.7%	4.4%	4.4%	4.6%	4.5%	4.5%
PER CAPITA PERS INC - 2000 \$												
Idaho	25,342	25,447	25,554	25,684	25,849	26,002	26,127	26,251	26,354	26,490	26,626	26,759
% Ch	-1.7%	1.7%	1.7%	2.0%	2.6%	2.4%	1.9%	1.9%	1.6%	2.1%	2.1%	2.0%
National	30,767	30,957	31,141	31,291	31,492	31,690	31,903	32,094	32,281	32,482	32,676	32,871
% Ch	-1.0%	2.5%	2.4%	1.9%	2.6%	2.5%	2.7%	2.4%	2.4%	2.5%	2.4%	2.4%
AVERAGE ANNUAL WAGE												
Idaho	31,162	31,390	31,630	31,932	32,299	32,594	32,848	33,117	33,408	33,676	33,951	34,230
% Ch	3.2%	3.0%	3.1%	3.9%	4.7%	3.7%	3.1%	3.3%	3.6%	3.2%	3.3%	3.3%
National	41,552	41,889	42,225	42,621	43,087	43,494	43,905	44,343	44,846	45,307	45,768	46,230
% Ch	3.9%	3.3%	3.2%	3.8%	4.4%	3.8%	3.8%	4.1%	4.6%	4.2%	4.1%	4.1%

National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

PERSONAL INCOME -- CURR \$\$

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	16,981	17,108	17,231	17,389	17,548	17,511	17,651	17,800	18,201	18,449	18,617	18,906
% Ch	2.8%	3.0%	2.9%	3.7%	3.7%	-0.8%	3.2%	3.4%	9.3%	5.6%	3.7%	6.4%
National (Billions)	4,956	4,980	4,981	4,987	5,023	5,073	5,129	5,189	5,239	5,303	5,359	5,433
% Ch	2.7%	2.0%	0.1%	0.5%	2.9%	4.0%	4.4%	4.8%	3.9%	4.9%	4.3%	5.6%
FARM PROPRIETORS INCOME												
Idaho (Millions)	514	758	702	890	425	633	722	846	462	800	684	679
% Ch	-84.6%	373.0%	-26.4%	158.4%	-94.8%	392.1%	69.3%	88.5%	-91.1%	799.6%	-46.6%	-3.1%
National (Billions)	11	10	9	9	14	24	25	25	18	19	14	15
% Ch	-91.8%	-10.7%	-51.7%	3.1%	508.1%	844.4%	11.5%	-2.1%	-72.1%	24.2%	-66.0%	26.2%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,365	3,445	3,485	3,531	3,557	3,601	3,703	3,780	3,892	3,966	4,017	4,115
% Ch	6.0%	9.9%	4.7%	5.4%	3.0%	5.0%	11.8%	8.6%	12.4%	7.9%	5.2%	10.2%
National (Billions)	751	759	762	768	780	802	827	840	854	883	893	915
% Ch	-1.4%	3.9%	1.6%	3.3%	6.6%	11.4%	13.4%	6.3%	6.9%	13.9%	4.8%	10.0%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	6,233	6,349	6,339	6,287	6,299	6,255	6,273	6,481	6,545	6,609	6,661	7,116
% Ch	4.3%	7.7%	-0.6%	-3.2%	0.8%	-2.8%	1.2%	13.9%	4.0%	4.0%	3.2%	30.3%
National (Billions)	1,518	1,525	1,499	1,481	1,481	1,469	1,463	1,493	1,510	1,524	1,531	1,650
% Ch	-4.9%	2.0%	-6.6%	-4.9%	0.2%	-3.4%	-1.5%	8.4%	4.6%	3.8%	1.7%	35.0%
OTHER LABOR INCOME												
Idaho (Millions)	3,789	3,852	3,908	3,950	4,038	4,054	4,113	4,152	4,326	4,434	4,505	4,609
% Ch	9.9%	6.8%	5.9%	4.4%	9.2%	1.6%	5.9%	3.8%	17.8%	10.4%	6.5%	9.6%
National (Billions)	692	724	741	762	783	799	818	836	857	873	886	905
% Ch	22.0%	20.0%	9.8%	11.9%	11.3%	8.6%	9.8%	9.1%	10.2%	8.1%	6.1%	8.6%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	4,844	4,971	5,009	5,072	5,178	5,361	5,498	5,498	5,583	5,670	5,681	5,690
% Ch	8.0%	10.9%	3.1%	5.1%	8.6%	14.9%	10.6%	0.0%	6.3%	6.4%	0.8%	0.7%
National (Billions)	1,259	1,284	1,289	1,298	1,311	1,333	1,346	1,351	1,379	1,400	1,402	1,404
% Ch	7.2%	8.0%	1.6%	2.8%	4.2%	6.8%	4.0%	1.3%	8.6%	6.3%	0.5%	0.5%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	2,786	2,805	2,820	2,844	2,900	2,886	2,906	2,929	3,035	3,068	3,101	3,152
% Ch	7.2%	2.8%	2.2%	3.4%	8.1%	-1.9%	2.8%	3.2%	15.3%	4.5%	4.3%	6.7%
National (Billions)	362	364	364	364	372	375	378	382	392	396	400	405
% Ch	6.4%	1.9%	-0.4%	0.1%	8.6%	3.3%	3.8%	4.0%	11.3%	3.9%	4.3%	5.3%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	529	530	534	531	527	546	559	546	551	548	551	558
% Ch	0.0%	0.8%	3.1%	-2.2%	-3.0%	15.2%	9.9%	-9.0%	3.7%	-2.0%	2.1%	5.2%

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**IDAHO ECONOMIC FORECAST
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PERSONAL INCOME -- CURR \$\$

	2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	19,105	19,319	19,543	19,804	20,120	20,390	20,640	20,898	21,183	21,445	21,711	21,980
% Ch	4.3%	4.6%	4.7%	5.5%	6.5%	5.5%	5.0%	5.1%	5.6%	5.0%	5.0%	5.1%
National (Billions)	5,509	5,580	5,648	5,716	5,790	5,858	5,928	6,002	6,082	6,160	6,236	6,312
% Ch	5.8%	5.2%	5.0%	4.9%	5.3%	4.8%	4.9%	5.0%	5.5%	5.2%	5.0%	5.0%
FARM PROPRIETORS INCOME												
Idaho (Millions)	758	722	720	760	824	833	809	819	803	814	824	825
% Ch	55.5%	-17.7%	-1.1%	24.5%	38.1%	4.2%	-11.1%	5.2%	-7.8%	5.7%	5.3%	0.5%
National (Billions)	16	15	15	16	19	19	19	19	20	20	21	21
% Ch	21.1%	-22.8%	-1.2%	34.4%	89.0%	7.5%	-14.2%	7.6%	20.6%	11.4%	10.2%	2.5%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	4,184	4,258	4,320	4,372	4,425	4,482	4,545	4,613	4,684	4,759	4,827	4,895
% Ch	6.9%	7.3%	6.0%	4.9%	4.9%	5.2%	5.8%	6.1%	6.3%	6.5%	5.9%	5.7%
National (Billions)	929	945	958	969	981	992	1,006	1,021	1,036	1,052	1,067	1,081
% Ch	6.6%	7.0%	5.7%	4.6%	4.7%	4.9%	5.6%	5.9%	6.1%	6.4%	5.7%	5.5%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	6,792	6,858	6,893	6,925	6,982	7,064	7,157	7,259	7,356	7,474	7,606	7,752
% Ch	-17.0%	3.9%	2.1%	1.8%	3.4%	4.8%	5.4%	5.8%	5.4%	6.6%	7.2%	7.9%
National (Billions)	1,566	1,579	1,588	1,595	1,607	1,626	1,647	1,670	1,691	1,717	1,747	1,780
% Ch	-18.9%	3.4%	2.2%	1.7%	3.2%	4.8%	5.2%	5.7%	5.1%	6.5%	7.2%	7.8%
OTHER LABOR INCOME												
Idaho (Millions)	4,683	4,764	4,826	4,889	4,941	5,003	5,053	5,106	5,157	5,219	5,274	5,333
% Ch	6.6%	7.1%	5.3%	5.3%	4.3%	5.2%	4.0%	4.3%	4.0%	4.9%	4.3%	4.5%
National (Billions)	920	931	944	954	963	975	987	998	1,004	1,015	1,025	1,035
% Ch	6.6%	5.1%	5.5%	4.6%	3.8%	5.2%	4.7%	4.9%	2.1%	4.6%	3.9%	4.0%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	5,812	5,886	5,973	6,061	6,258	6,385	6,536	6,635	6,762	6,857	6,958	7,059
% Ch	8.8%	5.2%	6.1%	6.0%	13.6%	8.3%	9.8%	6.2%	7.9%	5.8%	6.0%	6.0%
National (Billions)	1,432	1,448	1,467	1,487	1,533	1,562	1,597	1,619	1,647	1,668	1,691	1,713
% Ch	8.2%	4.6%	5.5%	5.4%	13.1%	7.7%	9.2%	5.6%	7.2%	5.2%	5.5%	5.4%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	3,226	3,247	3,272	3,317	3,477	3,519	3,562	3,609	3,687	3,720	3,754	3,800
% Ch	9.8%	2.5%	3.1%	5.6%	20.8%	4.8%	5.1%	5.3%	9.0%	3.6%	3.8%	4.9%
National (Billions)	416	418	421	426	444	448	453	459	468	472	476	481
% Ch	10.5%	2.5%	2.7%	4.5%	18.6%	3.7%	4.5%	4.8%	8.4%	3.4%	3.4%	4.4%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	562	566	571	577	584	589	594	599	605	610	615	620
% Ch	2.8%	3.2%	3.4%	4.3%	4.9%	3.7%	3.2%	3.4%	4.0%	3.4%	3.4%	3.5%

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EMPLOYMENT

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	563,425	567,616	568,840	572,136	572,434	570,503	571,621	575,453	581,425	585,070	586,821	590,573
% Ch	-1.0%	3.0%	0.9%	2.3%	0.2%	-1.3%	0.8%	2.7%	4.2%	2.5%	1.2%	2.6%
National (Thousands)	130,448	130,389	130,287	130,248	130,047	129,878	129,820	130,002	130,367	131,125	131,480	131,998
% Ch	-1.4%	-0.2%	-0.3%	-0.1%	-0.6%	-0.5%	-0.2%	0.6%	1.1%	2.3%	1.1%	1.6%
GOODS PRODUCING SECTOR												
Idaho	104,353	105,095	105,217	105,386	103,932	101,838	101,560	102,149	103,816	104,741	104,672	104,426
% Ch	-6.6%	2.9%	0.5%	0.6%	-5.4%	-7.8%	-1.1%	2.3%	6.7%	3.6%	-0.3%	-0.9%
National (Thousands)	22,867	22,638	22,465	22,252	22,025	21,848	21,718	21,676	21,719	21,869	21,944	22,058
% Ch	-6.0%	-3.9%	-3.0%	-3.7%	-4.0%	-3.2%	-2.4%	-0.8%	0.8%	2.8%	1.4%	2.1%
MANUFACTURING												
Idaho	66,778	66,928	66,912	66,588	65,357	63,899	63,283	62,920	63,152	63,013	63,260	63,351
% Ch	-5.3%	0.9%	-0.1%	-1.9%	-7.2%	-8.6%	-3.8%	-2.3%	1.5%	-0.9%	1.6%	0.6%
National (Thousands)	15,575	15,418	15,267	15,049	14,845	14,639	14,478	14,407	14,391	14,450	14,484	14,532
% Ch	-8.0%	-4.0%	-3.9%	-5.6%	-5.3%	-5.4%	-4.3%	-2.0%	-0.4%	1.6%	0.9%	1.3%
DURABLE MANUFACTURING												
Idaho	42,234	42,357	42,390	42,293	41,034	39,856	39,384	39,540	39,927	40,201	40,385	40,408
% Ch	-6.1%	1.2%	0.3%	-0.9%	-11.4%	-11.0%	-4.7%	1.6%	4.0%	2.8%	1.8%	0.2%
National (Thousands)	9,725	9,620	9,511	9,356	9,204	9,061	8,955	8,932	8,948	9,007	9,052	9,105
% Ch	-9.5%	-4.3%	-4.5%	-6.4%	-6.4%	-6.1%	-4.6%	-1.0%	0.7%	2.7%	2.0%	2.4%
LOGGING & WOOD PRODUCTS												
Idaho	9,480	9,503	9,639	9,611	9,350	8,956	8,867	9,049	9,263	9,338	9,399	9,404
% Ch	-1.6%	1.0%	5.9%	-1.2%	-10.4%	-15.8%	-3.9%	8.5%	9.8%	3.3%	2.6%	0.2%
National (Thousands)	633	628	624	617	610	605	599	603	603	608	609	617
% Ch	-2.0%	-2.8%	-2.9%	-4.3%	-4.1%	-3.7%	-3.9%	2.6%	0.4%	3.1%	0.6%	5.6%
METAL FABRICATION												
Idaho	3,565	3,640	3,688	3,647	3,622	3,533	3,472	3,518	3,594	3,615	3,644	3,654
% Ch	-14.3%	8.8%	5.3%	-4.4%	-2.7%	-9.5%	-6.7%	5.4%	9.0%	2.3%	3.3%	1.0%
National (Thousands)	1,567	1,556	1,546	1,525	1,501	1,481	1,465	1,467	1,476	1,493	1,507	1,531
% Ch	-9.1%	-2.8%	-2.3%	-5.3%	-6.4%	-5.2%	-4.2%	0.5%	2.4%	4.8%	4.0%	6.3%
MACHINERY												
Idaho	2,808	2,832	2,868	2,818	2,701	2,655	2,599	2,572	2,554	2,540	2,557	2,573
% Ch	1.5%	3.6%	5.1%	-6.8%	-15.5%	-6.6%	-8.2%	-4.1%	-2.8%	-2.2%	2.8%	2.5%
National (Thousands)	1,258	1,240	1,221	1,199	1,177	1,155	1,142	1,140	1,142	1,154	1,165	1,177
% Ch	-11.2%	-5.9%	-5.9%	-6.9%	-7.2%	-7.1%	-4.6%	-0.7%	0.6%	4.4%	3.9%	4.1%
COMPUTER & ELECTRONICS												
Idaho	18,093	18,017	17,829	17,767	16,781	16,227	16,176	15,985	16,117	16,295	16,459	16,555
% Ch	-6.4%	-1.7%	-4.1%	-1.4%	-20.4%	-12.6%	-1.3%	-4.6%	3.3%	4.5%	4.1%	2.4%
National (Thousands)	1,570	1,530	1,486	1,443	1,399	1,368	1,344	1,333	1,335	1,344	1,358	1,361
% Ch	-14.8%	-9.6%	-11.2%	-11.1%	-11.5%	-8.6%	-6.8%	-3.2%	0.6%	2.7%	4.2%	0.8%
OTHER DURABLES												
Idaho	8,288	8,365	8,366	8,451	8,580	8,484	8,269	8,416	8,399	8,413	8,325	8,222
% Ch	-8.9%	3.7%	0.1%	4.1%	6.3%	-4.4%	-9.7%	7.3%	-0.8%	0.6%	-4.1%	-4.9%
National (Thousands)	4,698	4,666	4,634	4,572	4,517	4,452	4,405	4,390	4,393	4,409	4,413	4,420
% Ch	-8.2%	-2.7%	-2.7%	-5.3%	-4.8%	-5.6%	-4.2%	-1.4%	0.3%	1.4%	0.4%	0.6%

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EMPLOYMENT

	2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	592,021	594,553	597,168	599,681	602,445	605,264	608,215	611,011	613,982	616,833	619,605	622,387
% Ch	1.0%	1.7%	1.8%	1.7%	1.9%	1.9%	2.0%	1.9%	2.0%	1.9%	1.8%	1.8%
National (Thousands)	132,585	133,207	133,770	134,104	134,371	134,681	135,029	135,345	135,630	135,971	136,253	136,535
% Ch	1.8%	1.9%	1.7%	1.0%	0.8%	0.9%	1.0%	0.9%	0.8%	1.0%	0.8%	0.8%
GOODS PRODUCING SECTOR												
Idaho	104,143	104,016	103,726	103,386	103,110	102,846	102,615	102,363	102,168	101,987	101,796	101,622
% Ch	-1.1%	-0.5%	-1.1%	-1.3%	-1.1%	-1.0%	-0.9%	-1.0%	-0.8%	-0.7%	-0.7%	-0.7%
National (Thousands)	22,166	22,272	22,303	22,337	22,365	22,392	22,376	22,351	22,356	22,356	22,352	22,334
% Ch	2.0%	1.9%	0.5%	0.6%	0.5%	0.5%	-0.3%	-0.4%	0.1%	0.0%	-0.1%	-0.3%
MANUFACTURING												
Idaho	63,436	63,677	63,833	63,961	64,162	64,345	64,523	64,677	64,878	65,110	65,362	65,653
% Ch	0.5%	1.5%	1.0%	0.8%	1.3%	1.1%	1.1%	1.0%	1.3%	1.4%	1.6%	1.8%
National (Thousands)	14,564	14,618	14,645	14,690	14,712	14,748	14,748	14,730	14,728	14,712	14,698	14,680
% Ch	0.9%	1.5%	0.7%	1.3%	0.6%	1.0%	0.0%	-0.5%	0.0%	-0.4%	-0.4%	-0.5%
DURABLE MANUFACTURING												
Idaho	40,447	40,636	40,747	40,829	40,985	41,123	41,253	41,357	41,505	41,681	41,877	42,110
% Ch	0.4%	1.9%	1.1%	0.8%	1.5%	1.4%	1.3%	1.0%	1.4%	1.7%	1.9%	2.2%
National (Thousands)	9,147	9,204	9,237	9,280	9,308	9,349	9,355	9,341	9,342	9,337	9,336	9,335
% Ch	1.9%	2.5%	1.4%	1.9%	1.2%	1.8%	0.3%	-0.6%	0.0%	-0.2%	0.0%	-0.1%
LOGGING & WOOD PRODUCTS												
Idaho	9,354	9,300	9,162	9,011	8,918	8,832	8,739	8,633	8,568	8,511	8,457	8,414
% Ch	-2.1%	-2.3%	-5.8%	-6.4%	-4.1%	-3.8%	-4.1%	-4.8%	-3.0%	-2.7%	-2.5%	-2.0%
National (Thousands)	614	609	598	588	577	568	559	554	551	550	549	549
% Ch	-1.8%	-3.4%	-7.0%	-6.6%	-7.4%	-6.2%	-5.7%	-4.1%	-1.7%	-1.2%	-0.7%	-0.1%
METAL FABRICATION												
Idaho	3,672	3,697	3,723	3,739	3,751	3,764	3,781	3,798	3,814	3,830	3,841	3,847
% Ch	2.0%	2.8%	2.8%	1.8%	1.2%	1.4%	1.7%	1.8%	1.8%	1.7%	1.2%	0.6%
National (Thousands)	1,539	1,553	1,561	1,579	1,591	1,601	1,603	1,603	1,605	1,609	1,616	1,623
% Ch	2.2%	3.6%	2.3%	4.5%	3.2%	2.4%	0.7%	0.0%	0.5%	1.0%	1.7%	1.6%
MACHINERY												
Idaho	2,605	2,635	2,666	2,697	2,729	2,759	2,785	2,802	2,813	2,817	2,816	2,813
% Ch	5.0%	4.7%	4.7%	4.8%	4.8%	4.5%	3.8%	2.5%	1.6%	0.6%	-0.2%	-0.4%
National (Thousands)	1,188	1,209	1,226	1,244	1,257	1,268	1,272	1,272	1,273	1,270	1,268	1,266
% Ch	3.8%	7.3%	5.7%	6.1%	4.2%	3.6%	1.4%	-0.1%	0.2%	-0.7%	-0.6%	-0.8%
COMPUTER & ELECTRONICS												
Idaho	16,608	16,670	16,759	16,882	17,069	17,241	17,414	17,575	17,730	17,904	18,104	18,334
% Ch	1.3%	1.5%	2.1%	3.0%	4.5%	4.1%	4.1%	3.8%	3.6%	4.0%	4.5%	5.2%
National (Thousands)	1,370	1,352	1,341	1,327	1,328	1,351	1,369	1,378	1,383	1,382	1,373	1,363
% Ch	3.0%	-5.2%	-3.3%	-4.0%	0.3%	6.9%	5.6%	2.6%	1.5%	-0.4%	-2.6%	-3.0%
OTHER DURABLES												
Idaho	8,209	8,334	8,439	8,500	8,519	8,527	8,535	8,549	8,579	8,619	8,659	8,702
% Ch	-0.6%	6.2%	5.2%	2.9%	0.9%	0.4%	0.4%	0.7%	1.4%	1.9%	1.9%	2.0%
National (Thousands)	4,436	4,481	4,510	4,542	4,555	4,562	4,551	4,535	4,530	4,526	4,530	4,535
% Ch	1.4%	4.1%	2.6%	2.9%	1.1%	0.7%	-1.0%	-1.4%	-0.4%	-0.3%	0.3%	0.4%

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IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004
EMPLOYMENT

MANUFACTURING (continued)

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	24,544	24,571	24,522	24,295	24,323	24,042	23,900	23,380	23,225	22,812	22,875	22,944
% Ch	-4.0%	0.4%	-0.8%	-3.7%	0.5%	-4.5%	-2.4%	-8.4%	-2.6%	-6.9%	1.1%	1.2%
National (Thousands)	5,850	5,798	5,756	5,693	5,641	5,578	5,523	5,474	5,443	5,443	5,432	5,427
% Ch	-5.5%	-3.5%	-2.9%	-4.3%	-3.6%	-4.4%	-3.9%	-3.5%	-2.3%	0.0%	-0.8%	-0.3%
FOOD PROCESSING												
Idaho	16,432	16,411	16,311	16,262	16,147	15,954	15,929	15,572	15,193	14,842	14,866	14,895
% Ch	3.4%	-0.5%	-2.4%	-1.2%	-2.8%	-4.7%	-0.6%	-8.7%	-9.4%	-8.9%	0.6%	0.8%
National (Thousands)	1,536	1,529	1,518	1,518	1,517	1,517	1,524	1,514	1,503	1,504	1,502	1,505
% Ch	-1.1%	-1.7%	-3.0%	0.2%	-0.2%	0.0%	1.7%	-2.5%	-3.1%	0.4%	-0.7%	0.8%
PRINTING												
Idaho	2,025	2,011	2,053	2,042	2,104	2,086	2,005	1,924	1,915	1,874	1,858	1,847
% Ch	-13.8%	-2.7%	8.5%	-2.1%	12.6%	-3.4%	-14.5%	-15.2%	-2.0%	-8.3%	-3.3%	-2.3%
National (Thousands)	726	711	700	690	686	683	679	672	666	666	663	664
% Ch	-8.3%	-7.9%	-5.9%	-5.9%	-2.2%	-1.5%	-2.6%	-3.8%	-3.8%	-0.1%	-1.3%	0.6%
CHEMICALS												
Idaho	1,972	1,945	1,889	1,892	1,858	1,826	1,834	1,804	1,849	1,840	1,858	1,876
% Ch	-40.1%	-5.4%	-11.1%	0.8%	-7.1%	-6.7%	1.9%	-6.4%	10.3%	-1.8%	3.9%	3.9%
National (Thousands)	934	929	925	921	919	911	905	898	894	896	893	891
% Ch	-4.2%	-2.3%	-1.6%	-1.8%	-1.2%	-3.1%	-2.5%	-3.4%	-1.4%	0.5%	-1.0%	-1.2%
OTHER NONDURABLES												
Idaho	4,115	4,203	4,268	4,098	4,215	4,177	4,131	4,079	4,269	4,256	4,293	4,326
% Ch	-3.9%	8.8%	6.4%	-15.0%	11.9%	-3.5%	-4.4%	-4.9%	20.0%	-1.2%	3.5%	3.1%
National (Thousands)	2,654	2,629	2,613	2,564	2,520	2,466	2,415	2,390	2,380	2,378	2,373	2,367
% Ch	-7.5%	-3.8%	-2.4%	-7.3%	-6.7%	-8.2%	-8.0%	-4.1%	-1.7%	-0.4%	-0.7%	-1.0%
MINING												
Idaho	1,783	1,735	1,766	1,748	1,725	1,779	1,854	1,779	1,774	1,748	1,779	1,805
% Ch	7.3%	-10.4%	7.3%	-4.1%	-5.2%	13.2%	17.9%	-15.3%	-1.0%	-5.7%	7.2%	5.9%
National (Thousands)	522	514	507	505	502	502	502	503	509	521	527	539
% Ch	-3.4%	-6.5%	-4.9%	-1.6%	-2.1%	-0.7%	0.2%	1.0%	5.1%	9.8%	4.4%	9.1%
CONSTRUCTION												
Idaho	35,792	36,432	36,538	37,050	36,850	36,160	36,423	37,451	38,890	39,980	39,634	39,269
% Ch	-9.6%	7.3%	1.2%	5.7%	-2.1%	-7.3%	2.9%	11.8%	16.3%	11.7%	-3.4%	-3.6%
National (Thousands)	6,769	6,707	6,692	6,698	6,678	6,707	6,738	6,766	6,819	6,897	6,933	6,986
% Ch	-1.3%	-3.7%	-0.9%	0.4%	-1.2%	1.8%	1.8%	1.7%	3.1%	4.7%	2.1%	3.1%
NONGOODS PRODUCING												
Idaho	459,072	462,522	463,623	466,750	468,502	468,666	470,061	473,303	477,609	480,328	482,149	486,147
% Ch	0.3%	3.0%	1.0%	2.7%	1.5%	0.1%	1.2%	2.8%	3.7%	2.3%	1.5%	3.4%
National (Thousands)	107,581	107,751	107,821	107,995	108,022	108,030	108,102	108,326	108,648	109,256	109,536	109,941
% Ch	-0.4%	0.6%	0.3%	0.6%	0.1%	0.0%	0.3%	0.8%	1.2%	2.3%	1.0%	1.5%
SERVICES												
Idaho	249,918	253,065	254,479	257,019	258,401	258,736	260,448	262,431	264,897	266,906	269,061	272,081
% Ch	-0.5%	5.1%	2.3%	4.1%	2.2%	0.5%	2.7%	3.1%	3.8%	3.1%	3.3%	4.6%
National (Thousands)	65,447	65,534	65,610	65,809	65,847	65,925	66,041	66,270	66,519	67,025	67,289	67,635
% Ch	-0.5%	0.5%	0.5%	1.2%	0.2%	0.5%	0.7%	1.4%	1.5%	3.1%	1.6%	2.1%
INFORMATION												
Idaho	9,272	9,191	9,001	9,165	9,178	9,165	9,105	9,281	9,373	9,349	9,461	9,603
% Ch	-7.3%	-3.5%	-8.0%	7.5%	0.6%	-0.5%	-2.6%	8.0%	4.0%	-1.0%	4.9%	6.2%
National (Thousands)	3,472	3,419	3,364	3,321	3,237	3,204	3,179	3,171	3,167	3,177	3,170	3,208
% Ch	-7.2%	-6.0%	-6.3%	-5.1%	-9.7%	-4.1%	-3.0%	-1.0%	-0.5%	1.3%	-0.9%	4.8%
FINANCIAL ACTIVITIES												
Idaho	25,570	25,676	25,893	26,153	26,536	26,850	27,136	27,256	27,450	27,593	27,811	28,015
% Ch	5.7%	1.7%	3.4%	4.1%	6.0%	4.8%	4.3%	1.8%	2.9%	2.1%	3.2%	3.0%
National (Thousands)	7,833	7,827	7,839	7,893	7,931	7,981	7,998	7,985	7,991	8,031	8,056	8,062
% Ch	-0.2%	-0.3%	0.6%	2.8%	1.9%	2.5%	0.9%	-0.6%	0.3%	2.0%	1.2%	0.3%

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IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004
EMPLOYMENT

MANUFACTURING (continued)

	2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
NONDURABLE MANUFACTURING												
Idaho	22,989	23,041	23,085	23,133	23,177	23,222	23,270	23,320	23,373	23,429	23,485	23,543
% Ch	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%	1.0%	1.0%	1.0%
National (Thousands)	5,417	5,414	5,408	5,410	5,404	5,399	5,393	5,389	5,386	5,375	5,362	5,345
% Ch	-0.8%	-0.2%	-0.5%	0.2%	-0.4%	-0.4%	-0.5%	-0.3%	-0.2%	-0.8%	-1.0%	-1.3%
FOOD PROCESSING												
Idaho	14,925	14,961	15,001	15,042	15,081	15,117	15,154	15,193	15,233	15,274	15,316	15,358
% Ch	0.8%	0.9%	1.1%	1.1%	1.0%	0.9%	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%
National (Thousands)	1,505	1,507	1,507	1,511	1,515	1,518	1,521	1,524	1,529	1,531	1,532	1,532
% Ch	0.0%	0.7%	0.0%	1.0%	0.9%	0.9%	0.7%	1.0%	1.2%	0.4%	0.3%	0.1%
PRINTING												
Idaho	1,832	1,827	1,825	1,829	1,832	1,838	1,841	1,842	1,844	1,845	1,845	1,844
% Ch	-3.3%	-1.1%	-0.3%	0.9%	0.7%	1.3%	0.6%	0.4%	0.3%	0.2%	0.0%	-0.1%
National (Thousands)	664	666	666	669	670	671	673	674	676	677	676	676
% Ch	-0.2%	0.9%	0.5%	1.6%	0.4%	0.7%	1.0%	1.0%	1.0%	0.4%	0.0%	-0.3%
CHEMICALS												
Idaho	1,878	1,872	1,850	1,825	1,803	1,783	1,766	1,753	1,741	1,731	1,722	1,712
% Ch	0.5%	-1.3%	-4.6%	-5.2%	-4.8%	-4.3%	-3.6%	-3.1%	-2.6%	-2.3%	-2.2%	-2.1%
National (Thousands)	892	894	895	896	896	895	892	890	887	885	882	879
% Ch	0.6%	0.7%	0.6%	0.6%	0.1%	-0.8%	-1.1%	-1.2%	-1.0%	-1.3%	-1.1%	-1.2%
OTHER NONDURABLES												
Idaho	4,353	4,382	4,410	4,436	4,461	4,485	4,509	4,532	4,555	4,579	4,603	4,628
% Ch	2.5%	2.6%	2.6%	2.4%	2.2%	2.2%	2.2%	2.1%	2.0%	2.1%	2.1%	2.2%
National (Thousands)	2,356	2,348	2,339	2,334	2,324	2,315	2,307	2,300	2,293	2,283	2,272	2,258
% Ch	-1.9%	-1.4%	-1.5%	-0.9%	-1.7%	-1.4%	-1.3%	-1.3%	-1.2%	-1.7%	-2.0%	-2.4%
MINING												
Idaho	1,821	1,849	1,805	1,726	1,627	1,552	1,513	1,479	1,458	1,424	1,365	1,287
% Ch	3.6%	6.2%	-9.2%	-16.3%	-21.1%	-17.2%	-9.6%	-8.7%	-5.6%	-8.9%	-15.6%	-20.9%
National (Thousands)	546	549	544	537	528	519	512	505	499	493	485	477
% Ch	5.6%	2.0%	-3.3%	-5.2%	-6.9%	-6.1%	-5.5%	-5.3%	-4.6%	-5.3%	-6.2%	-6.6%
CONSTRUCTION												
Idaho	38,887	38,490	38,088	37,699	37,321	36,949	36,579	36,207	35,832	35,452	35,068	34,682
% Ch	-3.8%	-4.0%	-4.1%	-4.0%	-3.9%	-3.9%	-3.9%	-4.0%	-4.1%	-4.2%	-4.3%	-4.3%
National (Thousands)	7,055	7,105	7,114	7,110	7,125	7,124	7,115	7,116	7,129	7,151	7,169	7,178
% Ch	4.0%	2.9%	0.5%	-0.2%	0.9%	-0.1%	-0.5%	0.0%	0.7%	1.2%	1.0%	0.5%
NONGOODS PRODUCING												
Idaho	487,878	490,538	493,442	496,295	499,335	502,418	505,600	508,648	511,814	514,846	517,809	520,765
% Ch	1.4%	2.2%	2.4%	2.3%	2.5%	2.5%	2.6%	2.4%	2.5%	2.4%	2.3%	2.3%
National (Thousands)	110,419	110,934	111,467	111,767	112,006	112,290	112,653	112,994	113,273	113,615	113,902	114,201
% Ch	1.8%	1.9%	1.9%	1.1%	0.9%	1.0%	1.3%	1.2%	1.0%	1.2%	1.0%	1.1%
SERVICES												
Idaho	273,127	275,078	277,187	279,306	281,564	284,041	286,443	288,699	290,966	293,145	295,307	297,451
% Ch	1.5%	2.9%	3.1%	3.1%	3.3%	3.6%	3.4%	3.2%	3.2%	3.0%	3.0%	2.9%
National (Thousands)	68,139	68,630	69,023	69,277	69,480	69,683	69,967	70,260	70,545	70,840	71,130	71,426
% Ch	3.0%	2.9%	2.3%	1.5%	1.2%	1.2%	1.6%	1.7%	1.6%	1.7%	1.6%	1.7%
INFORMATION												
Idaho	9,724	9,827	9,950	10,039	10,114	10,188	10,260	10,328	10,395	10,455	10,510	10,563
% Ch	5.1%	4.3%	5.1%	3.6%	3.0%	3.0%	2.9%	2.7%	2.6%	2.3%	2.1%	2.0%
National (Thousands)	3,215	3,239	3,266	3,262	3,247	3,236	3,231	3,236	3,248	3,250	3,265	3,284
% Ch	0.9%	3.0%	3.4%	-0.5%	-1.8%	-1.3%	-0.6%	0.6%	1.5%	0.1%	1.9%	2.4%
FINANCIAL ACTIVITIES												
Idaho	28,187	28,349	28,502	28,655	28,802	28,947	29,090	29,228	29,359	29,484	29,603	29,716
% Ch	2.5%	2.3%	2.2%	2.2%	2.1%	2.0%	2.0%	1.9%	1.8%	1.7%	1.6%	1.5%
National (Thousands)	8,081	8,097	8,099	8,097	8,091	8,068	8,062	8,055	8,063	8,067	8,073	8,086
% Ch	1.0%	0.8%	0.1%	-0.1%	-0.3%	-1.1%	-0.3%	-0.4%	0.4%	0.2%	0.3%	0.7%

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**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

EMPLOYMENT

SERVICES (Continued)												
	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	18,603	18,701	18,665	18,722	19,007	18,653	18,710	18,665	18,966	19,142	19,223	19,329
% Ch	-7.9%	2.1%	-0.8%	1.2%	6.2%	-7.2%	1.2%	-1.0%	6.6%	3.8%	1.7%	2.2%
National (Thousands)	4,822	4,825	4,827	4,811	4,796	4,762	4,733	4,742	4,763	4,791	4,808	4,839
% Ch	-2.8%	0.3%	0.2%	-1.4%	-1.2%	-2.8%	-2.4%	0.8%	1.8%	2.4%	1.4%	2.6%
PROFESSIONAL & BUSINESS												
Idaho	67,291	68,950	69,471	70,320	69,941	69,759	69,866	70,405	71,438	72,724	73,312	74,262
% Ch	-1.4%	10.2%	3.1%	5.0%	-2.1%	-1.0%	0.6%	3.1%	6.0%	7.4%	3.3%	5.3%
National (Thousands)	15,989	16,024	15,964	15,926	15,893	15,936	16,023	16,114	16,202	16,417	16,532	16,685
% Ch	-3.6%	0.9%	-1.5%	-0.9%	-0.8%	1.1%	2.2%	2.3%	2.2%	5.4%	2.8%	3.8%
EDUCATION & HEALTH												
Idaho	58,903	59,553	60,073	60,721	61,458	62,196	63,042	63,524	63,858	64,181	64,801	65,778
% Ch	4.7%	4.5%	3.5%	4.4%	4.9%	4.9%	5.6%	3.1%	2.1%	2.0%	3.9%	6.2%
National (Thousands)	16,007	16,143	16,283	16,377	16,462	16,559	16,594	16,705	16,774	16,874	16,956	17,025
% Ch	3.4%	3.4%	3.5%	2.3%	2.1%	2.4%	0.8%	2.7%	1.7%	2.4%	2.0%	1.6%
LEISURE & HOSPITALITY												
Idaho	52,570	53,176	53,418	53,949	54,208	54,033	54,393	54,975	55,681	55,523	55,991	56,490
% Ch	-2.5%	4.7%	1.8%	4.0%	1.9%	-1.3%	2.7%	4.3%	5.2%	-1.1%	3.4%	3.6%
National (Thousands)	11,971	11,928	11,960	12,086	12,131	12,086	12,120	12,172	12,239	12,324	12,348	12,370
% Ch	-0.2%	-1.4%	1.1%	4.3%	1.5%	-1.5%	1.1%	1.7%	2.2%	2.8%	0.8%	0.7%
OTHER SERVICES												
Idaho	17,708	17,819	17,958	17,990	18,074	18,081	18,197	18,326	18,131	18,394	18,462	18,604
% Ch	-4.3%	2.5%	3.2%	0.7%	1.9%	0.1%	2.6%	2.9%	-4.2%	5.9%	1.5%	3.1%
National (Thousands)	5,352	5,368	5,373	5,395	5,396	5,397	5,393	5,381	5,382	5,410	5,418	5,447
% Ch	2.9%	1.2%	0.3%	1.6%	0.1%	0.1%	-0.3%	-0.9%	0.1%	2.1%	0.6%	2.1%
TRADE												
Idaho	97,330	97,400	97,462	97,148	97,438	97,019	96,588	97,381	97,903	98,405	99,063	99,872
% Ch	1.6%	0.3%	0.3%	-1.3%	1.2%	-1.7%	-1.8%	3.3%	2.2%	2.1%	2.7%	3.3%
National (Thousands)	20,733	20,723	20,660	20,593	20,556	20,536	20,501	20,506	20,589	20,683	20,685	20,705
% Ch	-1.9%	-0.2%	-1.2%	-1.3%	-0.7%	-0.4%	-0.7%	0.1%	1.6%	1.8%	0.0%	0.4%
RETAIL TRADE												
Idaho	72,409	72,518	72,444	72,182	72,752	72,338	72,394	72,962	72,973	73,409	73,925	74,562
% Ch	3.7%	0.6%	-0.4%	-1.4%	3.2%	-2.3%	0.3%	3.2%	0.1%	2.4%	2.8%	3.5%
National (Thousands)	15,060	15,067	15,013	14,959	14,928	14,918	14,912	14,915	14,974	15,047	15,034	15,035
% Ch	-1.7%	0.2%	-1.4%	-1.4%	-0.8%	-0.2%	-0.2%	0.1%	1.6%	2.0%	-0.3%	0.0%
WHOLESALE TRADE												
Idaho	24,921	24,882	25,017	24,966	24,686	24,682	24,194	24,419	24,929	24,996	25,138	25,310
% Ch	-4.2%	-0.6%	2.2%	-0.8%	-4.4%	-0.1%	-7.7%	3.8%	8.6%	1.1%	2.3%	2.8%
National (Thousands)	5,673	5,656	5,648	5,634	5,628	5,618	5,589	5,591	5,616	5,636	5,650	5,671
% Ch	-2.4%	-1.2%	-0.6%	-1.0%	-0.4%	-0.7%	-2.0%	0.1%	1.8%	1.5%	1.0%	1.4%
STATE & LOCAL GOVERNMENT												
Idaho	98,531	98,727	97,982	98,713	98,915	99,206	99,319	100,171	101,699	102,044	101,084	101,295
% Ch	1.6%	0.8%	-3.0%	3.0%	0.8%	1.2%	0.5%	3.5%	6.2%	1.4%	-3.7%	0.8%
National (Thousands)	18,649	18,725	18,785	18,815	18,833	18,802	18,808	18,823	18,826	18,830	18,846	18,888
% Ch	1.7%	1.6%	1.3%	0.6%	0.4%	-0.7%	0.1%	0.3%	0.1%	0.1%	0.3%	0.9%
EDUCATION												
Idaho	49,686	50,082	49,317	49,534	49,892	49,837	49,444	50,480	50,370	50,455	50,553	50,797
% Ch	-0.3%	3.2%	-6.0%	1.8%	2.9%	-0.4%	-3.1%	8.6%	-0.9%	0.7%	0.8%	1.9%
NONEDUCATION												
Idaho	48,846	48,646	48,664	49,179	49,023	49,368	49,875	49,691	51,329	51,589	50,532	50,498
% Ch	3.6%	-1.6%	0.2%	4.3%	-1.3%	2.9%	4.2%	-1.5%	13.9%	2.0%	-7.9%	-0.3%
FEDERAL GOVERNMENT												
Idaho	13,292	13,329	13,701	13,870	13,749	13,704	13,706	13,320	13,110	12,973	12,941	12,899
% Ch	-2.6%	1.1%	11.6%	5.0%	-3.5%	-1.3%	0.0%	-10.8%	-6.2%	-4.1%	-1.0%	-1.3%
National (Thousands)	2,753	2,769	2,765	2,778	2,787	2,767	2,752	2,726	2,714	2,718	2,716	2,712
% Ch	-0.1%	2.2%	-0.5%	1.8%	1.3%	-2.9%	-2.2%	-3.6%	-1.8%	0.7%	-0.3%	-0.6%

**National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

EMPLOYMENT

SERVICES (Continued)	2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TRANS., WAREHOUSING, UTILITIES												
Idaho	19,401	19,470	19,550	19,606	19,680	19,759	19,843	19,929	20,016	20,097	20,175	20,254
% Ch	1.5%	1.4%	1.6%	1.2%	1.5%	1.6%	1.7%	1.7%	1.8%	1.6%	1.6%	1.6%
National (Thousands)	4,863	4,909	4,951	4,982	4,999	5,015	5,040	5,064	5,098	5,130	5,164	5,195
% Ch	2.0%	3.9%	3.4%	2.6%	1.3%	1.3%	2.0%	2.0%	2.7%	2.5%	2.7%	2.4%
PROFESSIONAL & BUSINESS												
Idaho	74,291	74,868	75,498	76,187	76,974	77,892	78,746	79,533	80,288	81,034	81,752	82,454
% Ch	0.2%	3.1%	3.4%	3.7%	4.2%	4.9%	4.5%	4.1%	3.8%	3.8%	3.6%	3.5%
National (Thousands)	16,936	17,174	17,316	17,399	17,484	17,599	17,781	17,991	18,195	18,381	18,538	18,673
% Ch	6.1%	5.8%	3.4%	1.9%	2.0%	2.7%	4.2%	4.8%	4.6%	4.1%	3.5%	2.9%
EDUCATION & HEALTH												
Idaho	65,833	66,354	66,877	67,407	67,973	68,604	69,217	69,773	70,329	70,887	71,462	72,038
% Ch	0.3%	3.2%	3.2%	3.2%	3.4%	3.8%	3.6%	3.3%	3.2%	3.2%	3.3%	3.3%
National (Thousands)	17,152	17,246	17,326	17,391	17,455	17,521	17,604	17,663	17,694	17,751	17,787	17,840
% Ch	3.0%	2.2%	1.9%	1.5%	1.5%	1.5%	1.9%	1.4%	0.7%	1.3%	0.8%	1.2%
LEISURE & HOSPITALITY												
Idaho	56,995	57,500	58,005	58,510	59,015	59,520	60,025	60,530	61,097	61,602	62,107	62,612
% Ch	3.6%	3.6%	3.6%	3.5%	3.5%	3.5%	3.4%	3.4%	3.8%	3.3%	3.3%	3.3%
National (Thousands)	12,455	12,541	12,649	12,719	12,768	12,797	12,783	12,772	12,746	12,740	12,755	12,774
% Ch	2.8%	2.8%	3.5%	2.2%	1.5%	0.9%	-0.4%	-0.4%	-0.8%	-0.2%	0.5%	0.6%
OTHER SERVICES												
Idaho	18,697	18,711	18,806	18,903	19,008	19,130	19,261	19,378	19,483	19,588	19,699	19,813
% Ch	2.0%	0.3%	2.1%	2.1%	2.2%	2.6%	2.8%	2.5%	2.2%	2.2%	2.3%	2.3%
National (Thousands)	5,438	5,424	5,416	5,426	5,435	5,447	5,466	5,479	5,501	5,522	5,548	5,573
% Ch	-0.7%	-1.0%	-0.6%	0.7%	0.7%	0.8%	1.4%	1.0%	1.6%	1.5%	1.9%	1.8%
TRADE												
Idaho	100,455	101,028	101,665	102,152	102,750	103,386	104,052	104,727	105,393	106,034	106,662	107,298
% Ch	2.4%	2.3%	2.5%	1.9%	2.4%	2.5%	2.6%	2.6%	2.6%	2.5%	2.4%	2.4%
National (Thousands)	20,674	20,706	20,746	20,764	20,809	20,860	20,915	20,949	20,972	20,996	20,980	20,973
% Ch	-0.6%	0.6%	0.8%	0.3%	0.9%	1.0%	1.1%	0.6%	0.4%	0.5%	-0.3%	-0.1%
RETAIL TRADE												
Idaho	75,018	75,465	75,965	76,343	76,810	77,308	77,831	78,360	78,883	79,385	79,877	80,375
% Ch	2.5%	2.4%	2.7%	2.0%	2.5%	2.6%	2.7%	2.7%	2.7%	2.6%	2.5%	2.5%
National (Thousands)	15,010	14,996	14,998	14,998	15,034	15,081	15,125	15,155	15,166	15,180	15,154	15,138
% Ch	-0.6%	-0.4%	0.0%	0.0%	1.0%	1.3%	1.2%	0.8%	0.3%	0.3%	-0.7%	-0.4%
WHOLESALE TRADE												
Idaho	25,437	25,563	25,701	25,809	25,939	26,077	26,221	26,366	26,510	26,649	26,785	26,923
% Ch	2.0%	2.0%	2.2%	1.7%	2.0%	2.1%	2.2%	2.2%	2.2%	2.1%	2.1%	2.1%
National (Thousands)	5,664	5,710	5,749	5,766	5,775	5,779	5,790	5,794	5,805	5,817	5,827	5,835
% Ch	-0.5%	3.3%	2.8%	1.2%	0.7%	0.2%	0.8%	0.3%	0.7%	0.8%	0.7%	0.6%
STATE & LOCAL GOVERNMENT												
Idaho	101,425	101,589	101,765	102,030	102,231	102,215	102,343	102,470	102,708	102,930	103,113	103,299
% Ch	0.5%	0.6%	0.7%	1.0%	0.8%	-0.1%	0.5%	0.5%	0.9%	0.9%	0.7%	0.7%
National (Thousands)	18,896	18,890	18,990	19,018	19,010	19,039	19,063	19,075	19,046	19,067	19,079	19,088
% Ch	0.2%	-0.1%	2.1%	0.6%	-0.2%	0.6%	0.5%	0.3%	-0.6%	0.4%	0.3%	0.2%
EDUCATION												
Idaho	50,925	51,061	51,223	51,461	51,639	51,621	51,735	51,877	52,080	52,280	52,440	52,601
% Ch	1.0%	1.1%	1.3%	1.9%	1.4%	-0.1%	0.9%	1.1%	1.6%	1.5%	1.2%	1.2%
NONEDUCATION												
Idaho	50,500	50,528	50,541	50,569	50,592	50,594	50,609	50,593	50,627	50,650	50,673	50,698
% Ch	0.0%	0.2%	0.1%	0.2%	0.2%	0.0%	0.1%	-0.1%	0.3%	0.2%	0.2%	0.2%
FEDERAL GOVERNMENT												
Idaho	12,871	12,843	12,825	12,807	12,790	12,776	12,762	12,752	12,747	12,737	12,727	12,717
% Ch	-0.9%	-0.9%	-0.6%	-0.5%	-0.5%	-0.4%	-0.4%	-0.3%	-0.1%	-0.3%	-0.3%	-0.3%
National (Thousands)	2,710	2,708	2,708	2,707	2,707	2,708	2,708	2,709	2,710	2,711	2,712	2,714
% Ch	-0.3%	-0.3%	0.0%	0.0%	0.0%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%

**National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004**

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

MISCELLANEOUS

	2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	103.470	103.853	104.280	104.786	105.490	105.780	106.158	106.586	107.314	108.169	108.471	109.005
% Ch	1.4%	1.5%	1.7%	2.0%	2.7%	1.1%	1.4%	1.6%	2.8%	3.2%	1.1%	2.0%
Consumption Expenditures	102.660	103.386	103.894	104.250	105.080	105.269	105.689	106.005	106.860	107.693	108.116	108.693
% Ch	0.9%	2.9%	2.0%	1.4%	3.2%	0.7%	1.6%	1.2%	3.3%	3.2%	1.6%	2.2%
Durable Goods	96.343	95.743	95.244	94.570	93.688	92.787	91.757	90.747	90.741	90.726	90.433	90.419
% Ch	-3.8%	-2.5%	-2.1%	-2.8%	-3.7%	-3.8%	-4.4%	-4.3%	0.0%	-0.1%	-1.3%	-0.1%
Nondurable Goods	100.861	102.193	102.520	102.814	104.108	103.520	104.423	104.564	105.914	107.615	107.823	108.165
% Ch	0.0%	5.4%	1.3%	1.2%	5.1%	-2.2%	3.5%	0.5%	5.3%	6.6%	0.8%	1.3%
Services	104.963	105.693	106.524	107.153	108.158	108.993	109.529	110.266	111.085	111.685	112.409	113.254
% Ch	2.3%	2.8%	3.2%	2.4%	3.8%	3.1%	2.0%	2.7%	3.0%	2.2%	2.6%	3.0%
Consumer Price Index	1.780	1.795	1.805	1.814	1.831	1.834	1.845	1.848	1.864	1.886	1.895	1.905
% Ch	1.3%	3.5%	2.2%	1.9%	3.9%	0.6%	2.3%	0.7%	3.6%	4.7%	1.9%	2.3%
SELECTED INTEREST RATES												
Federal Funds	1.7%	1.8%	1.7%	1.4%	1.3%	1.2%	1.0%	1.0%	1.0%	1.0%	1.4%	1.9%
NY Fed Discount	1.3%	1.3%	1.3%	1.0%	2.1%	2.2%	2.0%	2.0%	2.0%	2.0%	2.4%	2.9%
Prime	4.8%	4.8%	4.8%	4.5%	4.3%	4.2%	4.0%	4.0%	4.0%	4.0%	4.4%	4.9%
Existing Home Mortgage	6.9%	6.8%	6.4%	6.1%	5.9%	5.6%	5.7%	5.8%	5.6%	5.7%	5.8%	5.9%
U.S. Govt. 3-Month Bills	1.7%	1.7%	1.6%	1.4%	1.2%	1.0%	0.9%	0.9%	0.9%	1.1%	1.5%	1.9%
U.S. Govt. 6-Month Bills	1.8%	1.9%	1.6%	1.4%	1.2%	1.1%	1.0%	1.0%	1.0%	1.3%	1.7%	2.0%
U.S. Govt. 5-Year Notes	4.5%	4.4%	3.3%	3.0%	2.9%	2.6%	3.1%	3.3%	3.0%	3.7%	3.6%	3.6%
U.S. Govt. 10-Year Notes	5.1%	5.1%	4.3%	4.0%	3.9%	3.6%	4.2%	4.3%	4.0%	4.6%	4.4%	4.4%
SELECTED US PRODUCTION INDICES												
Wood Products	102.0	101.5	100.1	98.7	98.0	97.3	99.0	102.3	103.1	104.0	103.7	103.3
% Ch	6.1%	-2.0%	-5.4%	-5.7%	-2.7%	-2.8%	7.2%	14.3%	3.0%	3.3%	-1.0%	-1.5%
Computers & Electronic Products	225.2	229.7	237.8	245.9	253.1	257.7	272.5	284.5	295.9	309.7	325.4	337.5
% Ch	6.0%	8.2%	14.9%	14.4%	12.2%	7.5%	25.0%	18.8%	17.0%	20.0%	21.9%	15.7%
Food	107.8	107.4	106.9	106.4	106.4	106.2	105.9	106.2	107.2	108.4	108.7	108.9
% Ch	3.0%	-1.4%	-1.8%	-2.0%	0.2%	-0.9%	-0.9%	1.0%	3.8%	4.5%	1.0%	1.1%
Agricultural Chemicals	80.1	82.4	83.4	80.9	79.9	80.4	80.3	83.1	84.3	87.3	87.3	86.2
% Ch	-10.8%	12.0%	5.0%	-11.4%	-4.8%	2.3%	-0.4%	14.8%	5.5%	15.3%	0.0%	-4.9%
Metal Ore Mining	72.7	75.7	76.1	76.9	73.7	71.0	73.9	71.4	72.4	71.5	72.9	74.3
% Ch	-29.7%	17.5%	1.9%	4.6%	-15.9%	-13.7%	17.6%	-13.1%	5.5%	-4.4%	7.8%	7.9%

**IDAHO ECONOMIC FORECAST
QUARTERLY DETAIL
OCTOBER 2004**

MISCELLANEOUS

	Q1	2005 Q2	Q3	Q4	Q1	2006 Q2	Q3	Q4	Q1	2007 Q2	Q3	Q4
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	109.631	110.137	110.577	111.017	111.522	111.980	112.459	112.966	113.536	114.084	114.624	115.173
% Ch	2.3%	1.9%	1.6%	1.6%	1.8%	1.7%	1.7%	1.8%	2.0%	1.9%	1.9%	1.9%
Consumption Expenditures	109.169	109.601	109.998	110.417	110.914	111.406	111.932	112.465	113.017	113.601	114.180	114.769
% Ch	1.8%	1.6%	1.5%	1.5%	1.8%	1.8%	1.9%	1.9%	2.0%	2.1%	2.1%	2.1%
Durable Goods	90.414	90.343	90.189	89.959	89.777	89.598	89.425	89.281	89.172	89.081	88.992	88.903
% Ch	0.0%	-0.3%	-0.7%	-1.0%	-0.8%	-0.8%	-0.8%	-0.6%	-0.5%	-0.4%	-0.4%	-0.4%
Nondurable Goods	108.194	108.226	108.189	108.268	108.522	108.748	109.057	109.361	109.718	110.132	110.523	110.909
% Ch	0.1%	0.1%	-0.1%	0.3%	0.9%	0.8%	1.1%	1.1%	1.3%	1.5%	1.4%	1.4%
Services	114.078	114.838	115.592	116.344	117.133	117.928	118.741	119.563	120.382	121.225	122.071	122.937
% Ch	2.9%	2.7%	2.7%	2.6%	2.7%	2.7%	2.8%	2.8%	2.8%	2.8%	2.8%	2.9%
Consumer Price Index	1.914	1.921	1.927	1.933	1.940	1.948	1.956	1.964	1.973	1.982	1.991	2.000
% Ch	1.8%	1.5%	1.2%	1.3%	1.5%	1.6%	1.7%	1.7%	1.7%	1.8%	1.8%	1.9%

SELECTED INTEREST RATES

Federal Funds	2.2%	2.7%	2.9%	3.4%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
NY Fed Discount	3.2%	3.7%	3.9%	4.4%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Prime	5.2%	5.7%	5.9%	6.4%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
Existing Home Mortgage	6.2%	6.4%	6.7%	6.8%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.8%	6.8%
U.S. Govt. 3-Month Bills	2.3%	2.7%	2.9%	3.2%	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
U.S. Govt. 6-Month Bills	2.4%	2.7%	3.0%	3.3%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
U.S. Govt. 5-Year Notes	3.9%	4.2%	4.5%	4.7%	4.7%	4.7%	4.7%	4.7%	4.8%	4.8%	4.8%	4.9%
U.S. Govt. 10-Year Notes	4.7%	4.9%	5.1%	5.2%	5.2%	5.2%	5.2%	5.3%	5.3%	5.4%	5.4%	5.5%

SELECTED US PRODUCTION INDICES

Wood Products	102.3	100.7	98.6	96.9	95.6	94.6	94.1	94.2	94.3	94.4	94.4	94.6
% Ch	-3.7%	-6.3%	-8.0%	-6.6%	-5.4%	-4.0%	-2.0%	0.0%	0.5%	0.5%	0.0%	1.0%
Computers & Electronic Products	348.2	357.4	367.2	377.7	388.7	403.1	418.2	433.6	449.2	464.7	480.0	495.3
% Ch	13.2%	11.0%	11.4%	11.9%	12.2%	15.7%	15.8%	15.6%	15.2%	14.6%	13.8%	13.3%
Food	109.3	109.8	110.3	110.8	111.4	112.0	112.5	113.1	113.7	114.3	114.9	115.5
% Ch	1.2%	1.8%	1.8%	2.0%	2.2%	2.1%	2.0%	2.1%	2.1%	2.0%	2.1%	2.1%
Agricultural Chemicals	85.2	84.3	83.6	83.1	82.8	82.7	82.7	82.7	82.8	82.8	82.9	82.9
% Ch	-4.5%	-4.3%	-3.2%	-2.3%	-1.7%	-0.4%	0.0%	0.2%	0.2%	0.2%	0.3%	0.4%
Metal Ore Mining	75.6	76.8	77.9	78.9	79.8	80.7	81.5	82.2	82.9	83.6	84.3	84.9
% Ch	7.2%	6.5%	5.9%	5.2%	4.6%	4.6%	4.0%	3.5%	3.4%	3.4%	3.4%	2.9%

**National Variables Forecast by Global Insight
Forecast Begins the SECOND Quarter of 2004**

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APPENDIX

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THE GLOBAL INSIGHT U.S. MACROECONOMIC MODEL

Global Insight's Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The Global Insight model is divided into the following eight major sectors:

- I Private Domestic Spending**
- II Production and Income**
- III Taxes**
- IV International Transactions**
- V Financial**
- VI Inflation**
- VII Supply**
- VIII Expectations**

- I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

Global Insight divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

- II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the nonprofit components of income mentioned above.

- III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.
- IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.
- V. **Financial.** The Global Insight model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.
- VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.
- VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.
- VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the Global Insight U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

**personal income = wage and salary payments + other labor
income + farm proprietors' income + nonfarm proprietors'
income + property income + transfer payments - contributions
for social insurance + residence adjustment.**

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly-aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 23 North American Industry Classification System employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of

endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from Global Insight's U.S. macroeconomic model.

Since the output of the IEM depends in large part upon the output of the Global Insight model, an understanding of the Global Insight model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the Global Insight model are discussed in the National Forecast section.

IDAHO ECONOMIC MODEL

$$EEA_ID = EEA_ID_GOODS + EEA_ID_NONGOODS$$

$$EEA_ID_2100 = 6690.890 + 55.951*ID0IP2122_2123 - 4838.485*(JULCNF/WPI10) - 36.175*(IPSG21/ENRM21) + 7.797*TREND$$

$$EEA_ID_2300 = -7740.038 + 333.604*TREND + 31.234*ID0HSPRS1_A + 26.772*ID0HSPRS1_A(-1) + 22.310*ID0HSPRS1_A(-2) + 17.848*ID0HSPRS1_A(-3) + 13.386*ID0HSPRS1_A(-4) + 8.924*ID0HSPRS1_A(-5) + 4.462*ID0HSPRS1_A(-6)$$

$$EEA_ID_3110 = 17288.310 + 50.079*(MOVAV(IPSG311,8)) - 47.231*TREND$$

$$EEA_ID_3230 = 336.016 + 27.225*(MOVAV(IPSG323,8)) - 6.449*TREND$$

$$EEA_ID_3250 = 2689.414 + 16.006*(MOVAV(IPSG3253(-1),4)) - 1923.583*DUM951ON$$

$$EEA_ID_3320 = -842.056 + 49.361*(MOVAV(IPSG332,2)) - 1184.206*(JULCNF/WPI10) + 5.652*TREND$$

$$EEA_ID_3330 = 462.958 + 29.764*IPSG333 - 2.283*TREND$$

$$EEA_ID_3340 = 28735.920 + 28.172*IPSG3341 - 15872.170*JEXCHMTREAL$$

$$EEA_ID_4200 = 7372.778 + 0.247*EEA_ID_44_45$$

$$EEA_ID_44_45 = 23851.350 + 155.966*(MOVAV(YPADJ_ID,4)/MOVAV(JPC,4))$$

$$EEA_ID_48_49_22 = -8862.411 + 0.788*EEA_ID_4200 + 6057.244*ID0NPT$$

$$EEA_ID_5100 = -6591.583 + 44.500*(MOVAV(IPSN51112T9,6)) + 37.105*(MOVAV(IPSG51111,4)) + 5466.742*ID0NPT$$

$$EEA_ID_52_53 = -13696.590 - 6340.342*DUM981ON + 2181.548*(DUM9801004*MOVAV(SP500/SP500(-2),2)) + 103.500*ID0KHU$$

$$EEA_ID_54_55_56 = -36286.220 + 152.205*YPADJ_ID/JPC + 202.575*(MOVAV(RADR,8))$$

$$EEA_ID_61_62 = -29798.080 + 30911.690*ID0NPT + 142.550*YPADJ_ID/JPC$$

$$EEA_ID_71_72 = -48973.250 + 123996.200*ID0NPT - 477.801*TREND$$

$$EEA_ID_8100 = 1901.703 + 50.064*(MOVAV(YPADJ_ID,2)/MOVAV(JPC,2)) + 1297.842*DUM931964$$

$$EEA_ID_DMANU = EEA_ID_WOOD + EEA_ID_3320 + EEA_ID_3330 + EEA_ID_3340 + EEA_ID_MFDNEC$$

$$EEA_ID_GOODS = EEA_ID_MANU + EEA_ID_2300 + EEA_ID_2100$$

$$EEA_ID_GV = EEA_ID_GVSL + EEA_ID_GVF$$

$$EEA_ID_GVF = -3673.540 + 1255649.000*(EGF*(ID0NPT/N)) + 6.648*TREND$$

$$EEA_ID_GVSL = EEA_ID_GVSLAD + EEA_ID_GVSLED$$

$$EEA_ID_GVSLAD = -4231.714 + 33415.520*(ID0NPT*((N-N16A)/N)) + 0.310*(MOVAV(ID0YPTXB(-4),4))$$

$$EEA_ID_GVSLED = 9962.545 + 55401.600*(ID0NPT*((N-N16A)/N)) + 0.886*(MOVAV(ID0YPTXB(-4),2))$$

$$EEA_ID_MANU = EEA_ID_DMANU + EEA_ID_NMANU$$

$$EEA_ID_MFDNEC = -3921.289 + 115.660*(MOVAV(ID0IPMFDNEC,2))$$

$$EEA_ID_MFNNEC = 897.339 + 1.328*(CNCSR+CNOOR) + 26.083*(MOVAV(IPSG322,2))$$

$$EEA_ID_NMANU = EEA_ID_3110 + EEA_ID_3230 + EEA_ID_3250 + EEA_ID_MFNNEC$$

$$EEA_ID_NONGOODS = EEA_ID_SV + EEA_ID_4200 + EEA_ID_44_45 + EEA_ID_GV$$

$$EEA_ID_SV = EEA_ID_48_49_22 + EEA_ID_5100 + EEA_ID_52_53 + EEA_ID_54_55_56 + EEA_ID_61_62 + \\ EEA_ID_71_72 + EEA_ID_8100$$

$$EEA_ID_WOOD = 12932.120 + 126.954*(MOVAV(IPSG321,2)) - 8707.836*(JULCNF/WPI08) - 77.701*TREND$$

$$ID0AHEMF = -10.612 + 19.721*(EEA_ID_DMANU(-1)/EEA_ID_MANU(-1)*JULCNF) + \\ 24.707*(EEA_ID_NMANU(-1)/EEA_ID_MANU(-1)*JULCNF)$$

$$ID0CRCROP = -907492.600 + 0.013*CRCROP + 1358076.000*WPI01$$

$$ID0CRLVSTK = -283517.700 + 0.036*CRCATCVS + 539697.700*WPI01$$

$$ID0EXFP = -117243.400 + 1211161.000*WPI01 + 17837.650*TREND$$

$$ID0HSPR = ID0HSPRS1_A + ID0HSPRS2A_A$$

$$ID0HSPRS1_A = -18.169 - 1.082*(RMMTGEXIST-MOVAV(RMMTGEXIST(-1),4)) + \\ 132.841*(MOVAV(ID0NPT(-1),4)-MOVAV(ID0NPT(-5),4)) + 0.060*ID0KHU(-1)$$

$$ID0HSPRS2A_A = 2.166 + 38.159 * (MOVAV(ID0NPT(-1),4) - MOVAV(ID0NPT(-5),4)) - 0.116 * (MOVAV(RMMTGEXIST,4)) - 0.004 * TREND$$

$$ID0KHU = ID0KHU1 + ID0KHU2A$$

$$ID0KHU1 = ((0.997)^{0.25}) * ID0KHU1(-1) + ID0HSPRS1_A / 4$$

$$ID0KHU2A = ((0.997)^{0.25}) * ID0KHU2A(-1) + ID0HSPRS2A_A / 4$$

$$ID0NB = -8.307 + 36.495 * ID0NPT - 0.152 * TREND$$

$$ID0ND = 0.928 + 5.736 * ID0NPT + 0.009 * TREND$$

$$ID0NMG = (ID0NPT - ID0NPT(-4)) - (ID0NB - ID0ND) / 1000$$

$$ID0NPT = 0.671 + 0.005 * TREND$$

$$ID0WBB\$ = ID0WBBMF\$ + ID0WBBOTH\$ + ID0WBBCC\$ + ID0WBBF\$ + ID0WBBMIL\$$$

$$ID0WBBCC\$ = (ID0WRWCC\$ * EEA_ID_2300) / 1000000$$

$$ID0WBBF\$ = -86.677 + 270.857 * WPI02$$

$$ID0WBBMF\$ = (ID0WRWMF\$ * EEA_ID_MANU) / 1000000$$

$$ID0WBBMIL\$ = 14.989 + 277.366 * ((ID0NPT/N) * GFMLCWSS)$$

$$ID0WBBOTH\$ = ID0WRWOTH\$ * (EEA_ID - EEA_ID_2300 - EEA_ID_MANU) / 1000000$$

$$ID0WRWCC\$ = 4370.492 + 1877.931 * ID0AHEMF$$

$$ID0WRWMF\$ = 109.148 + 2798.506 * ID0AHEMF$$

$$ID0WRWOTH\$ = -5738.187 + 2279.114 * ID0AHEMF$$

$$ID0YDIR\$ = -82.320 + 1.068 * ((YPAINT + ZADIV + YPRENTADJ) * MOVAV(ID0YP\$(-1),4) / MOVAV(YP(-1),4))$$

$$ID0YFC\$ = -9000.397 + 0.969 * ID0YFC\$(-1) + 15620.48 * WPI01$$

$$ID0YINV_R\$ = -27327.48 + 0.846 * ID0YINV_R\$(-1) + 53333.63 * WPI01$$

$$ID0YP = ID0YP\$ / JPC * 100$$

$$\text{ID0YP\$} = \text{ID0WBB\$} + \text{ID0YSUP\$} + \text{ID0YDIR\$} + \text{ID0YPRNF\$} + \text{ID0YPRF\$} + \text{ID0YTR\$} + \text{ID0YRA\$} - \text{ID0YSIS\$}$$

$$\text{ID0YP\$PC} = \text{ID0YP\$} / \text{ID0NPT}$$

$$\text{ID0YPNF} = \text{ID0YPNF\$} / \text{JPC} * 100$$

$$\text{ID0YPNF\$} = \text{ID0YP\$} - \text{ID0YPRF\$} - \text{ID0WBBF\$}$$

$$\text{ID0YPNFPC} = \text{ID0YPNF\$} / \text{JPC} * 100 / \text{ID0NPT}$$

$$\text{ID0YPPC} = \text{ID0YP} / \text{ID0NPT}$$

$$\text{ID0YPRF\$} = 111.897 + 0.191 * ((\text{ID0CRCROP} + \text{ID0CRLVSTK} + \text{ID0YTRF\$} + \text{ID0YINV_R\$} - \text{ID0YFC\$} - \text{ID0EXFP}) / 1000) + 3.329 * \text{TREND}$$

$$\text{ID0YPRNF\$} = 62.845 + 4.325 * \text{YENTNFADJ}$$

$$\text{ID0YPTXB} = (\text{ID0WBB\$} + \text{ID0YPRNF\$} + \text{ID0YDIR\$} + (\text{ID0YPRF\$} - \text{ID0YINV_R\$} / 1000)) / \text{JPC} * 100$$

$$\text{ID0YRA\$} = -85.254 + 0.035 * \text{ID0WBB\$}$$

$$\text{ID0YSIS\$} = -33.199 + 2.293 * (\text{TXSIEC} * \text{ID0WBB\$} / \text{YPCOMPWSD})$$

$$\text{ID0YSUP\$} = 0.858 + 1.625 * (\text{YPCOMPSUPPAI} * (\text{ID0WBB\$} / \text{YPCOMPWSD}))$$

$$\text{ID0YTR\$} = -9.830 + 844.133 * ((\text{YPTRFGF} + \text{YPTRFGSL}) * (\text{ID0NPT} / \text{N}))$$

$$\text{ID0YTRF\$} = 18282.820 + 0.011 * \text{TRF\$}$$

$$\text{IDWAGE} = (\text{ID0WBB\$} - \text{ID0WBBF\$} - \text{ID0WBBMIL\$}) / \text{EEA_ID} * 1000000$$

$$\text{YPADJ_ID} = \text{ID0YPNF\$} + \text{MOVAV}(\text{ID0YPRF\$}, 4) + \text{MOVAV}(\text{ID0WBBF\$}, 4)$$

ENDOGENOUS VARIABLES

EEA_ID	Employment on nonagricultural payrolls, total
EEA_ID_2100	Employment in mining
EEA_ID_2300	Employment in construction
EEA_ID_3110	Employment in food processing
EEA_ID_3230	Employment in printing
EEA_ID_3250	Employment in chemicals
EEA_ID_3320	Employment in fabricated metal products
EEA_ID_3330	Employment in machinery
EEA_ID_3340	Employment in computers and electronic products
EEA_ID_4200	Employment in wholesale trade
EEA_ID_44_45	Employment in retail trade
EEA_ID_48_49_22	Employment transportation, warehousing, and utilities
EEA_ID_5100	Employment in information
EEA_ID_52_53	Employment in finance, insurance, and real estate
EEA_ID_54_55_56	Employment in professional, scientific, and technical services
EEA_ID_61_62	Employment in health care and educational services
EEA_ID_71_72	Employment in leisure and hospitality
EEA_ID_8100	Employment in other services
EEA_ID_DMANU	Employment in durable goods manufacturing
EEA_ID_GOODS	Employment in goods producing
EEA_ID_GV	Employment in government
EEA_ID_GVF	Employment in federal government
EEA_ID_GVSL	Employment in state and local government
EEA_ID_GVSLAD	Employment in state and local government, administration
EEA_ID_GVSLED	Employment in state and local government, education
EEA_ID_MANU	Employment in manufacturing
EEA_ID_MFDNEC	Employment in other durable manufacturing
EEA_ID_MFNNEC	Employment in other nondurable manufacturing
EEA_ID_NMANU	Employment in nondurable manufacturing
EEA_ID_NONGOODS	Employment in non-goods producing
EEA_ID_SV	Employment in services
EEA_ID_WOOD	Employment in wood products and logging
ID0AHEMF	Average hourly earnings in manufacturing
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0HSPR	Housing starts, total
ID0HSPRS1_A	Adjusted housing starts, single units
ID0HSPRS2A_A	Adjusted housing starts, multiple units
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NMG	Net in-migration of persons
ID0NPT	Resident population

ID0WBB\$	Wage and salary disbursements
ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV_R\$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 2000 dollars
ID0YP\$	Total personal income
ID0YP\$PC	Per capita personal income
ID0YPNF	Nonfarm personal income, 2000 dollars
ID0YPNF\$	Nonfarm personal income
ID0YPNFP\$	Per capita nonfarm income, 2000 dollars
ID0YPPC	Real per capita personal income
ID0YPRF\$	Net farm proprietors' income
ID0YPRNF\$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 2000 dollars
ID0YRA\$	Residence adjustment, personal income
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to persons
ID0YTRF\$	Government payments to Idaho farmers
IDWAGE	Average annual wage
YPADJ_ID	Adjusted total personal income

EXOGENOUS VARIABLES

CNCSR weighted	Personal consumption expenditures, clothing and shoes, 2000 dollars, chain
CNOOR	Personal consumption expenditures, other nondurable goods, 2000 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops

DUM931964
DUM951ON
DUM98011004
DUM981ON
TREND

These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or noneconomic event such as strikes, plant opening, or closures, unusual weather conditions, etc.

EG91	Employment in federal government
ENRM21	Employment in mining
GFMLCWSS	Federal government defense personnel outlays
ID0IP2122_2123	Industrial production index, metal and nonmetal ore mining, 1997=100.0
ID0IPMFDNEC	Industrial production index, other nondurable goods, 1997=100.0
IPSG21	Industrial production index, mining, 1997=100.0
IPSG311	Industrial production index, food, 1997=100.0
IPSG321	Industrial production index, wood products, 1997=100.0
IPSG322	Industrial production index, paper, 1997=100.0
IPSG323	Industrial production index, printing, 1997=100.0
IPSG3253	Industrial production index, agricultural chemicals, 1997=100.0
IPSG332	Industrial production index, fabricated metal products, 1997=100.0
IPSG333	Industrial production index, machinery, 1997=100.0
IPSG3341	Industrial production index, computer and peripheral equipment, 1997=100.0
IPSG51111	Industrial production index, newspaper publishing, 1997=100.0
IPSN51112T9	Industrial production index, other publishing, 1997=100.0
JEXCHOITPREAL	Real US trade-weighted exchange rate with other important trading partners
JPC	Implicit price deflator, personal consumption, 2000=100.0, chain weighted
JULCNF	Index of unit labor costs, nonfarm business sector, 1992=1.0
N	Population, U.S.
NP16	Population, U.S., aged 16 and older
RADR	Real research and development spending, 2000 dollars, chain weighted
RMMTGEXIST	Effective conventional mortgage rate, existing homes, combined lenders
SP500	Standard & Poor's 500 index of common stocks
TRF\$	Government payments to U.S. farms
TXSIEC	Personal contributions for social insurance, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WPI10	Producer price index, metals and metal products, 1982=1.0

YP	Personal income
YPAINI	Personal interest income
YPCOMPSUPPAI	Other labor income, U.S.
YPCOMPWSD	Wage and salary disbursements
YPPROPADJNF	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YPRENTADJ	Rental income of persons with capital consumption adjustment
YPTRFGF	Federal transfer payments to individuals
YPTRFGSL	State and local transfer payments to individuals
ZADIV	Dividends

**Division of Financial Management
700 W. Jefferson, Room 122
P.O. Box 83720
Boise, Idaho 83720-0032**

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